

The nominations of Harman Charles Agnew et al., for appointment as second lieutenants in the United States Air Force, which were confirmed today, were received by the Senate on May 24, 1949, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date under the caption "Nominations," beginning with the name of Harman Charles Agnew which appears on page 6726 and ending with the name of William B. Warwick, Jr., which is shown on page 6727.

IN THE NAVY

Vice Adm. John L. McCrea, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving as Director of the Staff, Personnel Policy Board, National Military Establishment.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 26, 1949

The House met at 10 o'clock a. m. The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God our Father, if we have taken our daily bread and it brought us no message; if we have enjoyed a night's rest and we are not grateful; if we have had happiness and have failed to see Thee, O Lord, forgive us and open our eyes.

May we see Thee in the creation, the preservation, and the redemption of the great wide world. May we know Thee in the nearness and sanctity of true friendship. Glory be to Thy holy name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate insists upon its amendments to the bill (H. R. 4392) entitled "An act to provide for the payment of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during World War II by United States armed forces in violation of neutral rights, and authorizing appropriations therefor," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. PEPPER, Mr. GREEN, and Mr. LODGE to be the conferees on the part of the Senate.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 49-13.

POMONA STATION, POMONA, CALIF.

Mr. WHITE of California. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 3003) to transfer Pomona station of the

Agriculture Remount Service, Department of Agriculture, at Pomona, Calif.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman please explain the bill?

Mr. WHITE of California. I will be glad to.

Mr. Speaker, this bill provides for the return of a piece of property to the W. K. Kellogg Foundation, of Battle Creek, Mich., which property was turned over to the Government during the war for a remount station and for the breeding of Arabian horses. Under the bill it will be turned back to the Kellogg Foundation, and the property used for educational and benevolent purposes only under the terms of a trust.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from California?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture is authorized and directed to transfer and convey to the W. K. Kellogg Foundation, Inc., without cost, the real property, comprising 812 acres, more or less, of the Agriculture Remount Station at Pomona, Calif., which was conveyed to the United States acting through the War Department (now Department of the Army) by W. K. Kellogg and subsequently transferred to the Department of Agriculture pursuant to the act of April 21, 1948 (62 Stat. 197), and such of the personal property of this station as may be agreed upon, in writing, by the Secretary of Agriculture and the W. K. Kellogg Foundation, Inc.

With the following committee amendments:

Page 1, line 7, after "which", insert "tract, originally in the ownership of W. K. Kellogg." Page 1, line 10, strike out "by W. K. Kellogg."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. WHITE of California. Mr. Speaker, I ask unanimous consent for the immediate consideration of a similar Senate bill (S. 969) to transfer the Pomona station of the Agriculture Remount Service, Department of Agriculture, at Pomona, Calif.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture is authorized and directed to transfer and convey to the W. K. Kellogg Foundation, Inc., without cost, the real property, comprising 812 acres, more or less, of the Agriculture Remount Station at Pomona, Calif., which tract, originally in the ownership of W. K. Kellogg, was conveyed to the

United States acting through the War Department (now Department of the Army) and subsequently transferred to the Department of Agriculture pursuant to the act of April 21, 1948 (62 Stat. 197), and such of the personal property of this station as may be agreed upon, in writing, by the Secretary of Agriculture and the W. K. Kellogg Foundation, Inc.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

By unanimous consent, the proceedings by which H. R. 3003 was passed were vacated, and the bill laid on the table.

COMMITTEE ON EDUCATION AND LABOR

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor may sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

DISTRICT OF COLUMBIA TAX BILL

The SPEAKER. The unfinished business is the conference report on the bill (H. R. 3704) to provide additional revenue for the District of Columbia, on which the previous question was ordered on last Tuesday.

The question is on the conference report.

The question was taken; and on a division (demanded by Mr. BIEMILLER) there were—ayes 29, noes 15.

Mr. BIEMILLER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—ayes 184, noes 152, not voting 95, as follows:

[Roll No. 105]

YEAS—184

Abbott	Byrnes, Wis.	Goodwin
Abernethy	Camp	Gossett
Albert	Carlyle	Graham
Allen, Calif.	Carnahan	Gwinn
Allen, Ill.	Case, S. Dak.	Hale
Anderson, Calif.	Church	Hall
Andresen,	Cole, Kans.	Leonard W.
August H.	Cole, N. Y.	Halleck
Andrews	Cooley	Harden
Arends	Cotton	Hardy
Aspinall	Coudert	Hare
Auchincloss	Curtis	Harris
Barden	Dague	Harrison
Barrett, Wyo.	Davis, Ga.	Hays, Ark.
Bates, Mass.	Davis, Tenn.	Hedrick
Battle	DeGraffenried	Herter
Beall	Dondero	Hobbs
Bennett, Mich.	Doughton	Hoffman, Mich.
Bentsen	Durham	Holmes
Bishop	Eaton	Hope
Blackney	Elliott	Jackson, Calif.
Boggs, La.	Ellsworth	James
Bolton, Ohio	Elston	Jenison
Bonner	Engel, Mich.	Jensen
Bosone	Fallon	Johnson
Boykin	Fenton	Jones, Ala.
Bramblett	Fernandez	Kean
Breen	Fisher	Kearns
Brown, Ga.	Ford	Kerr
Brown, Ohio	Fugate	Kilburn
Bryson	Garmatz	Kilday
Burleson	Gary	Larcade
Burton	Gavin	Latham
Byrne, N. Y.	Gillette	LeCompte

LeFevre
Lind
Lodge
Lover
Lucas
McConnell
McCormack
McCulloch
McGregor
McKinnon
McMillan, S. C.
McMillen, Ill.
Mack, Wash.
Magee
Mahon
Marshall
Martin, Iowa
Martin, Mass.
Marrow
Meyer
Michener
Miles
Miller, Md.
Miller, Nebr.
Mills
Monroney
Morris
Morton
Nicholson

Nixon
Norrell
Norton
O'Hara, Minn.
Passman
Peterson
Phillips, Calif.
Pickett
Polk
Poulson
Preston
Rankin
Redden
Reed, Ill.
Reed, N. Y.
Rees
Rich
Rivers
Rogers, Fla.
Sadlak
St. George
Sasser
Scott
Hugh D., Jr.
Scrivner
Scudder
Simpson, Ill.
Simpson, Pa.

Smith, Kans.
Smith, Va.
Steed
Stefan
Stigler
Sutton
Taber
Tackett
Teague
Thompson
Trimble
Vinson
Vorvys
Welch, Mo.
Werdel
Wheeler
White, Idaho
Whitten
Whittington
Wickersham
Wigglesworth
Williams
Willis
Wilson, Ind.
Wilson, Okla.
Wilson, Tex.
Winstead

NAYS—152

Addonizio
Allen, La.
Andersen,
H. Carl
Angell
Bailey
Baring
Barrett, Pa.
Beckworth
Bennett, Fla.
Biemiller
Blatnik
Boggs, Del.
Bolling
Brooks
Buckley, Ill.
Burdick
Burke
Canfield
Cannon
Carroll
Cavalcante
Celler
Chelf
Chesney
Christopher
Chudoff
Cooper
Corbett
Crawford
Crook
Crosner
Davis, Wis.
Dawson
Delaney
Denton
Dollinger
Donohue
Douglas
Doyle
Eberharter
Engle, Calif.
Flood
Fogarty
Forand
Frazier
Furcolo
Gordon
Gore
Gorski, Ill.
Gorski, N. Y.

Granahan
Granger
Green
Gregory
Hagen
Hand
Hart
Harvey
Havener
Hays, Ohio
Heffernan
Heller
Heslton
Hill
Hollfield
Howell
Huber
Irving
Jackson, Wash.
Jacobs
Judd
Karst
Karsten
Keating
Kelley
Kennedy
Keogh
King
Kirwan
Kruse
Kunkel
Lane
Lemke
Lesinski
Linehan
Lynch
McCarthy
McDonough
McGrath
McGuire
Mack, Ill.
Madden
Mansfield
Marcantonio
Marshall
Mason
Miller, Calif.
Mitchell
Morgan
Morrison
Multer

Murdock
Murray, Wis.
Noland
Norblad
O'Brien, Ill.
O'Brien, Mich.
O'Hara, Ill.
O'Konski
O'Sullivan
O'Toole
Pace
Patten
Perkins
Philbin
Poage
Price
Rabaut
Ramsay
Rhodes
Ribicoff
Rodino
Rooney
Sadowski
Sanborn
Scott, Hardie
Secrest
Shafer
Sheppard
Sims
Spence
Staggers
Sullivan
Tauriello
Thomas, Tex.
Thornberry
Tollefson
Towe
Underwood
Van Zandt
Wagner
Walter
Welch
Welch, Calif.
White, Calif.
Wier
Withrow
Wolverton
Woodhouse
Yates
Young
Zablocki

NOT VOTING—95

Bates, Ky.
Bland
Bolton, Md.
Brehm
Buchanan
Buckley, N. Y.
Bulwinkle
Burnside
Case, N. J.
Chatham
Chiferfield
Clemente
Clevenger
Colmer
Combs
Cunningham
Davenport
Davies, N. Y.
Deane
D'Ewart
Dingell

Dolliver
Evins
Feighan
Fellows
Fulton
Gamble
Gathings
Gilmer
Golden
Grant
Gross
Hall
Edwin Arthur
Hébert
Herlong
Hinshaw
Hoeven
Hoffman, Ill.
Horan
Hull
Javits
Jenkins

Jennings
Jonas
Jones, Mo.
Jones, N. C.
Kearney
Kee
Keefe
Klein
Lanham
Lichtenwalter
Lyle
McSweeney
Macy
Moulder
Murphy
Murray, Tenn.
Nelson
O'Neill
Patman
Patterson
Pfeifer
Joseph L.

Pfeiffer,
William L.
Phillips, Tenn.
Plumley
Potter
Powell
Priest
Quinn
Rains
Regan
Richards

Riehlman
Rogers, Mass.
Sabath
Short
Smathers
Smith, Ohio
Smith, Wis.
Stanley
Stockman
Talle
Taylor

Thomas, N. J.
Velde
Vursell
Wadsworth
Walsh
Whitaker
Wolcott
Wood
Woodruff
Worley

So the conference report was agreed to.
The Clerk announced the following pairs:

On this vote:

Mr. Macy for, with Mr. Hull against.
Mr. Jones of Missouri for, with Mr. Buchanan against.
Mr. Grant for, with Mr. Smathers against.
Mr. Gilmer for, with Mr. Feighan against.
Mr. Quinn for, with Mr. Powell against.

General pairs until further notice:

Mr. Davenport with Mr. Dolliver.
Mr. Dingell with Mr. Wolcott.
Mr. Bulwinkle with Mr. Lichtenwalter.
Mr. Priest with Mr. Brehm.
Mr. O'Neill with Mr. Case of New Jersey.
Mr. Hébert with Mr. Hoeven.
Mr. Buckley of New York with Mr. Golden.
Mr. Klein with Mr. Gamble.
Mr. Lanham with Mr. Taylor.
Mr. Stanley with Mr. Short.
Mr. Wood with Mr. Patterson.
Mr. Cox with Mr. Chiferfield.
Mr. Whitaker with Mr. D'Ewart.
Mr. McSweeney with Mr. Horan.
Mr. Deane with Mr. Jennings.
Mr. Evins with Mr. Jonas.
Mr. Clemente with Mr. Plumley.
Mr. Bolton of Maryland with Mr. Wadsworth.
Mr. Colmer with Mr. Woodruff.
Mr. Burnside with Mr. Cunningham.
Mr. Gathings with Mr. Keefe.
Mr. Rains with Mr. Riehlman.
Mr. Richards with Mr. Smith of Ohio.
Mr. Walsh with Mr. Smith of Wisconsin.
Mr. Sabath with Mr. Gross.
Mr. Worley with Mr. Edwin A. Hall.
Mr. Murphy with Mr. Hoffman of Illinois.
Mr. Davies of New York with Mr. Jenkins.
Mr. Chatham with Mr. Kearney.
Mr. Kee with Mr. Potter.
Mr. Lyle with Mr. Fulton.
Mr. Moulder with Mr. Fellows.
Mr. Joseph L. Pfeiffer with William L. Pfeiffer.
Mr. Patman with Mr. Stockman.
Mr. Bland with Mr. Vursell.
Mr. Bates of Kentucky with Mr. Velde.
Mr. Jones of North Carolina with Mrs. Rogers of Massachusetts.
Mr. Murray of Tennessee with Mr. Hinshaw.
Mr. Regan with Mr. Nelson.
Mr. Herlong with Mr. Talle.
Mr. Combs with Mr. Phillips of Tennessee.

Mr. O'TOOLE changed his vote from "yea" to "nay."

Mr. KERR changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

COMMITTEE ON ARMED SERVICES

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent that the Subcommittee of the Committee on Armed Services investigating post exchanges be permitted to sit during the session of the House today during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

FOREIGN AID APPROPRIATION BILL, 1950

Mr. SMITH of Virginia. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 228 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That during the consideration of the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, it shall be in order to consider without the intervention of any point of order the following amendment:

"On page 4, line 7, strike out the period, insert a colon, and the following: 'Provided further, That the entire amount may be apportioned for obligation or may be obligated and expended, if the President after recommendation by the Administrator deems such action necessary to carry out the purposes of said act during the period ending May 15, 1950'."

Mr. SMITH of Virginia. Mr. Speaker, I have no requests for time on this side, and I will be the only Member to speak on the rule on our side. I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ANGELL. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

THE ORIENTAL FRUITFLY SHOULD BE ERADICATED NOW

Mr. ANGELL. Mr. Speaker, a major problem is facing the Hawaiian Islands in devastation caused by the oriental fruitfly, discovered in June 1946. It is my information that it has made alarming advances in that time and everything possible should be done to eradicate the pest in the islands and to take every precautionary measure to prevent this infestation from reaching the mainland of the United States. We on the Pacific coast, in which we have a highly developed fruit-growing industry, which is one of our major assets, are situated in an area which could easily become infected by this pest reaching the mainland from the many airplanes flying back and forth between the islands and the Pacific coast. It has been found that this pest attacks not only citrus fruit but all fruit and is highly destructive.

I urge speedy action in providing the necessary funds to control and eradicate the pest.

I include as part of these remarks a letter I received today from Paulus Bros. Packing Co., of Salem, Oreg., under May 18, 1949, calling attention to the seriousness of the problem and urging effective steps to meet it. This company is one of the major fruit and vegetable packers in the Northwest. The letter follows:

PAULUS BROS. PACKING CO.,
Salem, Oreg., May 18, 1949.
Representative HOMER ANGELL,
Washington, D. C.

DEAR REPRESENTATIVE ANGELL: They are having a lot of trouble in Hawaii with the oriental fruitfly. Since its discovery in June 1946, it has made such rapid progress that fruit growers there are very alarmed and have asked an appropriation of \$2,000,000 from Congress to control and eradicate this pest. The request has been broken down into six separate items, as follows:

A. Two hundred and fifty thousand dollars to expand the quest of parasites destructive

to fruitfly pests, now in progress in the western Pacific area, India, and South Africa, it being apparent that if success is to be achieved by this biological control method, early progress will be more assured by increasing facilities of these missions.

B. One hundred and fifty thousand dollars to studies of biology and ecology of fruitfly pests, since comparatively little is known of how the oriental fruitfly lives and responds to different conditions. Such information, of course, is vital to control and eradicate it wherever it may appear.

C. Five hundred thousand dollars to study of sterilization and fumigation of fruits, vegetables, and flowers. There is a wide area of unexplored possibilities for scientists with adequate laboratory equipment. Development of successful methods will stand for years to come as a vital safeguard to all agricultural areas threatened by such pests.

D. Five hundred thousand dollars to intensive studies of methods of area treatments and controls, such as spraying from aircraft, uses of chemicals, and eradication of host plants, inasmuch as such controls will be immediately needed should such a pest appear in any area in continental United States unprotected by ocean barriers.

E. Two hundred and fifty thousand dollars to intensive development and testing of new insecticides, since there are already thousands of new chemical products of laboratories developed during the war which have yet to be properly tested against these specific insects under various conditions.

F. Three hundred and fifty thousand dollars to research in disinsectizing materials and procedures on local and global common carriers, since rapid development of air travel has brought all continents within a few hours of each other.

With modern transportation as rapid as it is, it would be simple for the Pacific Coast States to become infected with the same pest. California is already fighting the possibility of the Mediterranean fruitfly coming in through fruits and has men stationed at its borders to inspect every automobile entering the State for fruit which might carry this pest. Fruit orchards of the Pacific coast are so valuable that we cannot afford to run the risk of infection.

We have gone over this program for the study and eradication of the oriental fruitfly and feel the amounts requested for the different phases of work are not excessive. This pest affects not only fruit but also vegetables and flowers.

We are very interested in seeing the danger of immigration of this trouble removed, and therefore would appreciate any help you might give.

With kindest personal regards, we are,

Yours truly,

PAULUS BROS. PACKING CO.
ROBERT C. PAULUS.

(Mr. ANGELL asked and was given permission to revise and extend his remarks and include a letter.)

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, it takes a great deal of nerve to stand up in the well of the House and talk to a Congress which seems to have in mind giving America away to foreign countries. It seems as if the majority of the Members are in favor of such a thing. I am not one of those. I am a Member who is interested in America first, last and all the time. I am going to stand in the well of the House and fight for America until there is nothing left of "Bob" RICH.

"Bob" RICH is just going to use every ounce of energy he has to try to convince the Members of Congress that this

business of squandering the American taxpayers' dollars and taking the American people further and further into debt, as each day goes by, is eventually going to bring us to bankruptcy. I do not propose to encourage that.

Mr. Speaker, I picked up the Treasury statement of May 20, and I find that the excess of expenditures over receipts for this year, which will close very shortly, in about 30 days, is \$2,895,654,019.45. We have a national debt of over \$250,000,000,000. It is about time that we took a little inventory of our resources. It is about time that we took a little inventory of our ability to look after the affairs of our Nation if we intend to be a solvent, solid, sound, and going country like it was when you came into it. Remember that you Members are going to leave this country very shortly to your children and your grandchildren. How are they going to carry the responsibilities that you have heaped upon them by this great national debt which you have incurred in the last 15 years? How are they going to be able to survive? Are they going to be able to have the same opportunities that you had, or are they going to have a yoke around their necks so that they will not be able to carry on at all?

Mr. Speaker, I asked for this 5 minutes on the rule because it seems to me as if nobody is going to talk about it, and it seems as if it is the intention to let the thing come in easy, pass this bill for five or six billion dollars, and then slide out easy. But I have been working on a few of the things that we are doing under ECA, and I will give them to you when we come to the consideration of the bill. But you are on the rule now. Give them the rule. Let them talk it over. But, are you not going to stand here and let a few of the Members of the House try to cut this appropriation down? There is the gentleman from New York [Mr. TABER]. I have no doubt that he will be working hard to try to cut the amount down. There ought to be 250 Members trying to cut down Government expenses, and trying to cut down and economize in every other way possible. You have your taxpayers back home hollering at you and saying that they want less taxes, and that they want more opportunity to have more privileges for ourselves and our children. Yet we have many people saying that they want the Federal Government to look after them and they want the Federal Government to give them more so that they will not have to work. I believe in work and earn and save. It is only because of the great opportunities that have existed heretofore that America has afforded that America has become great. But, if you are going to assume all the burdens of all the countries all over the world, then I say "look out, America." It may be someday that we will not have any America. We will go by the board with a lot of other countries, because communism is running just as rampant in this country as it is in lots of these foreign countries. Stop communism here. Stop wrecking our own economy. We are no good to ourselves or to anybody when we are not solvent.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield to the gentleman from New Jersey such time as he may desire.

Mr. HAND. Mr. Speaker, even in its reduced amount, I am still unable to support the pending bill appropriating additional billions for the foreign-assistance program.

Former President Hoover once referred to national prohibition as an experiment noble in purpose. It is only fair to say that the purpose of the foreign-assistance program is "noble in purpose." But it is my view that it is both impractical and unnecessary.

What the proponents of the bill overlook completely is that when the Marshall plan was first proposed, and before we had appropriated a dollar to implement it, many of the nations of western Europe had already achieved, in both industrial and agricultural production, a standard which was roughly equal to their production immediately before the war. Do not make the mistake of thinking that this program is designed to restore Europe to its prewar standards; it is, rather, to increase their standards of living and production far beyond that which existed immediately before the war.

There are many who will be shocked by this statement, but it is quite factual, and the basis for it may be found in the committee reports advocating the original adoption of this far-flung, and exceedingly expensive scheme.

Now, Mr. Speaker, it is entirely a desirable objective to increase the standards of European production and living until they equal our own, but the point that I raise is that we have not the slightest moral right to do this with the money of the American taxpayer, and I gravely doubt if we have the constitutional right to do it. The Federal Government is one of limited powers; the Congress can only do those things which are expressly or implicitly authorized. And I am certainly unaware of any authority in the Constitution to spend Federal revenues for the purpose of increasing living standards all over the world.

I call to your attention, also, that this dangerous theory will be expanded. The President, in his inaugural address in January 1949, spoke very clearly of the extension of this principle to help all the rest of the world. Indeed, we have come to a point where we insist on giving our money away regardless of need, and sometimes without even a request for it.

Mr. Speaker, what we do under this program sometimes leads to remarkable results. For example, we all agree that the Navy of the United States is not only the most powerful in the world, but more powerful than all the navies of the world combined. The second greatest Navy is that of our ally and friend, Great Britain. There just is not a naval threat to this country or to Great Britain, or to the Europe that we propose to support by the North Atlantic Treaty. It was for this reason, as well as in the interest of some sane economy, that the Secretary of Defense, Mr. Louis Johnson, recently canceled plans to build a huge aircraft carrier to add to our already impregnable fleet. I say that we did this because we did not need it, and could not very

well afford it. Notwithstanding these facts, the world press recently announced that Great Britain, the principal beneficiary of foreign-assistance funds, and who drains billions of our dollars for its own interests and socialistic enterprises, has announced the building, for its navy, of eight new aircraft carriers. If this makes sense, I would like it explained to me in words of one syllable by some of the proponents of this bill.

GREEK-TURKEY AID

I have referred to the Marshall plan as at least an experiment noble in purpose; that cannot be said of the program of assistance to Greece and Turkey. That, in its very conception, was an imperialistic doctrine in which the United States assumed the right to insist upon governments and policies all over the world which meet with its approval, and insisted that no government should exist which did not meet with its approval. When President Truman first suggested such a course to the Congress and stated that it was our duty to everywhere support democracies by cash and probably by force of arms, and referred to Greece and Turkey as democracies, I could hardly believe that he was serious. Neither country has ever been a democracy as we understand the meaning of the term. Moreover, quite frankly, it is none of our business to dictate to them the character of their Government; and it was a little difficult to understand why Greece and Turkey, alone, were selected.

On May 7, 1947, in a speech to the House of Representatives on this question, I said:

If the President thinks that the United States has the moral duty, or even the moral right, to interfere with all governments that are not democracies, he might have also mentioned most of the rest of the world; not just Iran, but Iraq, Egypt, India, Korea. He might have mentioned the communistic threat of Togliatti in Italy, of Thorez in France. He could have referred to the totalitarian Franco in Spain, and, closer to home, Argentina and Chile are not conspicuous adherents to the form of government that we in America prefer.

Further in the same speech I said:

There should be no misunderstanding of the Truman doctrine. The President was frank about it. Summed up, it is this:

"I believe that it must be the policy of the United States to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures.

"I believe that we must assist free peoples to work out their own destinies in their own way."

I cannot bring myself to believe any such thing. I do not believe we have either the duty or the right to interfere with the internal affairs of foreign nations throughout the globe.

It is this imperialistic and dangerous theory to which we have already subscribed hundreds of millions, if not billions, and are now asked to further support, perhaps indefinitely.

Moreover, Mr. Speaker, those hundreds of millions have been largely wasted. It was the assumption that this aid to Greece would stop the few thousand guerrillas who were then terrifying the entire Greek Army. If you think the plan has worked, I beg you to read the

President's reports to Congress on the progress of Greek aid, all of which I have examined with care. In his sixth report to the Congress for the period ending December 31, 1948, which is the latest the State Department has available for us, you will find that the President says, among other things, that—

After weeks of inconclusive fighting and increasing guerrilla activity in other areas, Greek Army efforts in Vitsi slackened, and by the end of November the campaign was reduced to a holding operation. (P. 4, Sixth Report to Congress on Assistance to Greece and Turkey.)

Please bear in mind, Mr. Speaker, that this is the situation after about 2 years of the ceaseless pouring of American money into the Greek economy and Greek Army. The President goes on to say:

No major offensive actions were undertaken by the Greek Army during the period under review.

And again:

During December the guerrillas demonstrated a capacity to mount attacks in force against medium-sized towns in central and northern Greece.

They captured thousands of people to replace their own losses, and engaged in a considerable campaign of destruction.

Every report made by the President is to the same general effect, and the inescapable conclusion is that the plan just is not working.

Mr. Speaker, I am reluctant to continue stubbornly fighting against this program, which seems to get at least lip service from a considerable majority of the House.

The truth is, the program would not get 50 votes if it were not attractively presented as an effective movement for containing communism. I loath and despise communism, both with respect to its political theories, and economic theories. I support with all my strength, and always shall, our political democracy and our economic system of private enterprise; but anybody who has observed with care world events in the last 4 years will certainly conclude that this is not an effective means of combating communism. It must be clear now that we are on the wrong track.

However, I am content to follow the dictates of my conscience and to act in accordance with my extensive study of the entire program. I cannot stop what is being done, but I can at least raise my voice in warning, and I shall be content with the ultimate verdict of history as to whether our present proceedings were statesmanship of high order, or as I believe, dangerous nonsense.

Mr. ALLEN of Illinois. Mr. Speaker, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. VAN ZANDT. Mr. Speaker, one of our solemn obligations as Members of Congress is to maintain at all times an adequate national defense. Each of us is under oath to support and defend the Constitution, and our country, against all enemies, foreign and domestic. In addition, we have an obligation to those who make up our armed forces in times of emergency, that they will be equipped with the finest weapons of

modern warfare that dollars and cents can buy.

It is because I regard this obligation so keenly that yesterday I introduced House Resolution 227 providing for an investigation of the military aircraft-procurement program.

These are perilous times—times in which the preservation of peace depends upon our readiness for war if war must come.

Twice, first in 1917 and again in 1941, I served in the armed forces for my country. I think I know the importance of an alert readiness for a national emergency. Everyone knows that the American taxpayers, groaning under an almost unbearable burden of charges for the national defense, foreign relief, and domestic programs, need now more than ever before to be doubly sure that their money is not being wasted, that they are getting a dollar's worth of defense for every dollar of taxes paid.

Right now, I am not sure that they can be confident that this is the case.

Ugly, disturbing reports are beginning to circulate through the Congress and through Washington. They have come to me from New York and from other cities. I am confident that I am not the only Member of Congress who has heard these reports.

I say that the seriousness of their nature, the insistence with which they are going the rounds, the vigor and confidence with which they are asserted, imperatively demand that this Congress set up an unbiased House committee to make a full and complete investigation.

There may be some who will cry "politics" at my suggestion. I deny here and now, with every emphasis possible, that there is any politics at all involved. My record on national defense speaks for itself. It has, for years, been the record of both the Republican and Democratic Parties that when it came to the national defense and to international policy, politics was permanently adjourned.

While I know it is customary to give the author of an investigating resolution chairmanship of an investigating committee, I renounce any traditional claims for myself.

My old friend, Louis Johnson, the Secretary of National Defense, should particularly welcome this inquiry. Inasmuch as his name is deeply involved in the reports, he should wish to clear it. Officers of the Army, Navy, and Air Force should welcome the investigation. Their stake is a million miles from politics.

The administration should welcome the inquiry. If the reports are ill-founded, it should be glad to accept a device which, through an unbiased inquiry, will dispose of them for all time. If they are correct, then the American people have an absolute, undeniable, God-given right to know the truth and to expect their Congress to take drastic action.

My proposal is simply this: That the House set up a committee of five members each from the House to investigate all phases of the qualities of various military aircraft; all circumstances and facts involved in the cancellation of some contracts, the enlargement of others;

the connections of the Honorable Louis Johnson, Secretary of Defense, and the Honorable Stuart Symington, Secretary for Air, past or present, direct or indirect, with these companies; and the 1948 political campaign contributions that may have been made by these companies or their officers.

These disturbing reports—and to me they are only reports until they are investigated—revolve around the associations of Mr. Symington and Mr. Johnson with Mr. Floyd Odlum of the gigantic Atlas Corp., a super holding company.

It is reported that Mr. Symington is a frequent week-end visitor at the Palm Springs, Calif., ranch home of Mr. Odlum and his wife, the former Jacqueline Cochrane; that the logbook of the "Dew-drop" plane, which Mr. Symington uses as his personal aircraft, will record many visits to Palm Springs. This in itself is nothing. Against a background of other facts it provides food for thought.

In 1947, the Consolidated Vultee Aircraft Corp. held contracts for 100 B-36 bombers. At that time there was considerable doubt as to whether the contracts would ever be fully validated. A reading of the hearings on the 1949 Air Force appropriations discloses that in early 1948, it was actually planned to cut back these contracts. The Air Force was asking instead for B-50's and B-54's. In 1947, Victor Emanuel, who then controlled Convair through his Aviation Corp. (AVCO), considered selling Consolidated to the Lockheed Aircraft Corp. The Securities and Exchange Commission would not approve the sale.

Late in 1947, Mr. Odlum, through Atlas, acquired control of Consolidated, and became chairman. A few months later, in January, the Air Force prepared a directive canceling production of the B-36. Air Force studies in early 1948 indicated that the B-36 was not suitable, and Gen. Lauris Norstad so advised his superiors, explaining that the contract for 100 would be cut back to 50 or 60 so as not to bring financial ruin to Convair. In May, the Air Force announced that it would build its 70-group force around the B-50, Boeing; and the B-45, North American; P-86, North American; and others. This announcement on May 7, 1948, did not list the Convair B-36.

By then, 10 B-36's had been produced. The Air Force in June cut production to 96 and announced a further reduction to 61 B-36's.

Mr. Louis Johnson was a director and attorney for Consolidated Vultee at that time.

During the same months of April, May and June, 1948, an official investigation was begun of the wartime aircraft turret contracts of Emerson Electric Co., of St. Louis, a firm formerly headed by Mr. Symington.

These aircraft turrets were unsatisfactory, and the contracts contained a clause providing that defects be corrected without cost to the Government. Col. Frank Wolfe, of Wright Field, went to St. Louis and renegotiated these contracts without loss to the company. It has been said that this renegotiation process cost the Government approximately \$20,000,000. Emerson Electric

was saved from loss, the Government obtained the turrets at increased cost and as usual, the American taxpayer suffered. Colonel Wolfe, who was a subordinate of Gen. Benny Meyers, is now retired and is said to be living at Beverly Hills, Calif. The entire transaction should be the object of the committee's inquiry.

I return to Consolidated Vultee-Atlas Corp. Although in the spring and summer of 1948 the Air Force planned to reduce materially the B-36 contracts, we find that in January of 1949 it was canceling contracts with other companies for other planes in order to procure more B-36's, which not many months before had been found unsatisfactory as bombers and were to be used as refueling tankers. The renegotiations of the canceled contracts with other manufacturers was handled by an outside law firm, reportedly upon the recommendation of Mr. Johnson. This firm had been retained for some time by Mr. Odlum's Atlas Corp.

Throughout the aircraft industry there are reports of very serious circumstances surrounding this transaction. They involve reported plans to set up, through Atlas, a huge aircraft combine under the control of Mr. Odlum. I have heard from sources I cannot disregard that there is a plan under way for Mr. Symington to resign as Secretary of Air as soon as the 1950 budget containing more funds for more B-36's is approved, and head this huge aircraft combine. I do not say that all of these reports are true; but I do emphatically assert that they are so prevalent and so persistent as to require a congressional investigation without further delay. The Congress should take this action in the vital interests of the security of the United States. We have a duty to the Nation regardless of an individual or corporation. That duty we cannot shirk.

On September 10, 1948, it was announced that the B-36 contract would not be cut back to 61 after all, but that the entire 94, still under contract, would be accepted. Later, 36 Convair-Consolidated-Vultee—liners were purchased and a \$35,000,000 contract for modified training planes was executed with the same company. In October, the production of Northrup B-49a jet bombers was transferred from that firm to Consolidated Vultee. The same month a Curtiss-Wright contract for F-87 all-weather fighters was canceled. A few weeks later, the \$80,000,000 which was withdrawn from the Curtiss contract was transferred to Consolidated Vultee for trainers. There have been repeated cancellations early this year for other types of planes, all a matter of record, to make additional funds available for B-36's. The cut-backs of other contracts involve \$312,000,000, a great sum. The cost of canceling the original contracts is being borne by the taxpayer. They will total in the neighborhood of \$100,000,000. The money withdrawn from the other contracts will go, for the most part, to Floyd Odlum's Consolidated Vultee Aircraft Corp.

More recently the B-54 contract has been canceled and plans are going forward for the purchase of yet another 36 B-36's. The Air Force has also brought

forth a plan to modify the 73 B-36's already on hand by the addition of jet engines, for which the B-36 was not designed. The cost of the modification of the plane to bring it more in line with aircraft developments that have far outpaced its original design is more than \$2,500,000 each, more than all airplanes except the B-36 cost in the first place. Former Secretary of Defense, the late Mr. Forrestal, in learning of irregularities in the handling of this plan, refused to approve it. A very short time after Mr. Johnson was sworn in to succeed Forrestal, he issued orders, in great haste, to give the additional \$183,000,000 contract to the Consolidated Vultee Aircraft Corp., a firm from which he had just resigned as director and counsel a few weeks before.

It is impossible for me at this point to catalog the entire series of cancellations and reorders of Consolidated planes. But Congress should here and now find out why the B-36 was unacceptable in the first half of 1948; why it became acceptable in September and October 1948; why contracts for other types have repeatedly been cut back to provide funds for still more B-36's, and whether there are plans for a super aircraft combine to be headed by Secretary of Air, Symington, and under the thumb of Floyd Odlum.

There are well-founded reports that Mr. Odlum was very active in assisting Mr. Louis Johnson to raise campaign funds for the Democratic Party in September and October 1948 that this coincides with the improvement in the status of the Consolidated Vultee Aircraft Corp. and with the reputation of the product on which its financial future was staked—the B-36. If the aircraft industry and Mr. Odlum assisted in raising \$1,500,000, or as some reports have it, a staggering \$6,500,000, for the Democratic campaign, the Congress and the American people should know about it.

I do not assert that this is true. I maintain that there is sufficient evidence at hand to demand an investigation, devoid of any whitewashing or soft-pedaling tactics. The American people are entitled to a fair and impartial investigation so that the truth may be known.

There is much more information available that I have not taken the time to relate. This information belongs properly to an investigating committee. It concerns the wastage of some 2,000 B-29's now in storage; it concerns the influence and political association of Mr. Odlum with Mr. Johnson and Mr. Symington.

Nothing short of an inquiry by Congress will clear up these matters. We are spending \$15,000,000,000 a year on our national defense. Are we pouring much of this into one basket, and an outmoded basket at that? Is there undercover dissension and serious disagreement on the state of our defenses? What about these influences that are being so widely discussed now? What about the cancellation, revision, renegotiation, and rejuggling of contracts for planes that, less than a year ago, were thought to be our best defensive weapons? What about these associations that are being so widely discussed?

In fairness to the public which ungrudgingly pays the bill, in fairness to

Congress itself, and in fairness to all who have been and are being mentioned, Congress can do no less than to support a full, complete, and fair investigation into these matters. That is exactly the purpose of my resolution.

Mr. ALLEN of Illinois. Mr. Speaker, while I do not know of any further requests for time on this side, yet I reserve the balance of my time until the gentleman from Ohio [Mr. BROWN] comes in.

Mr. SMITH of Virginia. I want the gentleman from Illinois to understand that when I conclude my remarks I shall move the previous question. Is that all right?

Mr. ALLEN of Illinois. That is all right.

Mr. SADOWSKI. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. Does the gentleman from Virginia yield to the gentleman from Michigan for a parliamentary inquiry?

Mr. SMITH of Virginia. I yield.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. SADOWSKI. Mr. Speaker, the gentleman from Virginia has stated that there has been no request for time on this side. I make a request for 5 minutes.

The SPEAKER. The gentleman has not stated a parliamentary inquiry.

Mr. SMITH of Virginia. Mr. Speaker, I may state, in order to show my good faith, that the gentleman from Michigan did ask me for time just after I had said I had had no inquiries, which was the fact, and had agreed that I would not yield any further time on this side. I will state further that I also arranged for the gentleman from Michigan to get 5 minutes under general debate, which he does not seem to desire.

Mr. Speaker, the purpose of this rule is merely to facilitate passage of this bill by authorizing and making in order an amendment which the Committee on Appropriations wishes to offer. The House will thus be given an opportunity to vote on this proposed amendment. It is thought that by doing that it will facilitate the passage of this bill, which I think all Members are very anxious to dispose of.

Mr. Speaker, I move the previous question on the resolution in order that we may get right into it and that its consideration may be concluded today.

The previous question was ordered.

The resolution was agreed to.

Mr. GARY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes; and pending that I ask unanimous consent that general debate on the bill may be limited to 4 hours, one-half the time to be controlled by the gentleman from New York [Mr. TABER] and one-half by myself.

Mr. RICH. Mr. Speaker, reserving the right to object, I wish to ask the gentleman if he believes that in 4 hours we can do justice to the American people in spending \$6,000,000,000?

Mr. GARY. Mr. Speaker, I assure the gentleman that we are going to try to do justice, complete justice, to the American people.

The SPEAKER. The gentleman from Virginia asks unanimous consent that general debate on the bill be limited to 4 hours, the time to be equally divided and controlled between himself and the gentleman from New York [Mr. TABER]. Is there objection?

There was no objection.

The SPEAKER. The question is on the motion.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, with Mr. COOLEY in the chair.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Virginia [Mr. GARY] is recognized for 2 hours, and the gentleman from New York [Mr. TABER] will be recognized for 2 hours.

Mr. GARY. Mr. Chairman, I yield myself such time as I may use.

Mr. Chairman, at the beginning of the discussion on this bill, may I pause for a moment to pay my respects to the subcommittee that has labored so diligently for the last month on this measure. We had as majority members of this subcommittee the gentleman from New York [Mr. McGRATH] and the gentleman from Illinois [Mr. YATES], two newcomers to the House and two newcomers to the committee, but men who have already made their mark and have demonstrated their ability. As the two Republican members of the committee we had the gentleman from New York [Mr. TABER] and the gentleman from Massachusetts [Mr. WIGGLESWORTH], whom I am certain the House will realize have given thorough consideration to this entire problem. I know of no two men who are better qualified to pick flaws or to find weaknesses in a witness' armor, and I say to you that throughout these hearings they were zealous in their efforts to find out, if possible, if there was anywhere we could cut down on this program or if there was any faulty administration.

There appeared before the committee many witnesses from the Department and from the outside. We had the privilege of listening for over an hour to Gen. Lucius D. Clay, the retiring United States Governor in Germany, who had just returned from Germany and was, therefore, able to give us an accurate picture of conditions with respect to that country. In addition, we had several representatives of the ECA who had recently returned from Germany and from Japan. So that we had at first hand the latest information as to conditions in Europe and Japan.

Mr. Chairman, this bill contains four subdivisions. In the first place, we have the ECA. In the second place, we have what is known as GARIOA appropriations for Government and relief in occupied areas. Then we have EROA, which is economic rehabilitation in the occu-

pied areas. EROA is the ECA for Japan. In addition to that, we have an item for assistance to Greece and Turkey.

I shall try to outline briefly the various proposals before the Committee of the Whole at the present time. But before I do that may I give you the general background of this entire situation insofar as ECA is concerned.

Our committee did not feel it was our duty to go into the question of policy, which has been considered on numerous occasions on this floor. The House has decided the policy so far as ECA is concerned. We considered it our job to see to it that the policy is carried out at the least possible expense. Consequently, we scrutinized very carefully the administration of the ECA program. May I say, and I think I can say this without contradiction from the minority members of the committee, that we were greatly impressed with the administration of ECA from Mr. Hoffman on down.

Throughout the hearings there was never a time when we asked for information and statistics, that they were not immediately available or if not immediately available, the statistics were compiled and presented just as quickly as could be expected.

There have been substantial accomplishments under the ECA program; as a matter of fact, I think I could go even further and say that there have been amazing accomplishments. It was my privilege to visit Europe in the fall of 1947. When present conditions are compared with those which existed in 1947, it is nothing less than startling.

Industrial and agricultural production has increased tremendously in practically all of the countries. Exports from these countries have increased substantially, so that some of the countries today are helping the other countries of Europe in their respective recovery programs. The standards of living have been raised to a gratifying extent in all of the participating countries. As a matter of fact, in many of the countries the standards of living are now almost back to the prewar level, when you discount the question of housing in those countries where destruction was worst. Of course, the housing conditions in Europe will be bad for many years to come.

The morale of Europe has improved and let me say to you this is of the greatest importance in this critical state of world affairs. As a matter of fact, the cold war in Europe has been won up to the present time. Communism has been stopped in its tracks. We asked General Clay and other witnesses who are in a position to know and they said that in their judgment there would have been no North Atlantic Pact, which guarantees the safety and security of this country, unless there had been an ECA. They said that the Berlin blockade would not have been lifted had it not been for the effects of the ECA. In fact, this program has succeeded so well, that many, who 1 year ago proclaimed that it should not be undertaken because we would be pouring money down a rat hole, are today contending that recovery has been so substantial that the ECA does not now need additional funds.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. Does the gentleman know how much money is covered in this bill altogether?

Mr. GARY. I will give the gentleman the figures in just a moment.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Pennsylvania.

Mr. RICH. What country did the gentleman say does not need additional funds?

Mr. GARY. I did not say any country. I said that many people who stood on this floor and who argued a year ago that we should not embark upon this program because we would be pouring money down a rat hole now say that all the countries have recovered to the point where they do not need any money, which is an admission of the efficacy of the program.

Mr. RICH. Has the gentleman had any indication from any country over there that they would not need any funds at any particular time in the future?

Mr. GARY. No; and I am going to discuss that right now.

Mr. RICH. They are all going to have their hands out as long as you are going to hand it to them.

Mr. GARY. Gentlemen, we have made substantial progress, and yet there is a great deal to be accomplished. In the first place, the currencies of these various countries have not been completely stabilized. In some of the countries inflation is still rampant. That is one of the situations that the ECA is fighting in Europe today. It is insisting that the countries stabilize their currencies. We are in this position in this program, the ECA does not attempt to tell these various nations what they have got to do, but they are trying to assist them in formulating programs that will eventually mean the economic recovery of the entire world.

Much is yet to be done with reference to the elimination of trade barriers so that these nations in Europe can trade freely with each other. A great deal has been accomplished in that respect. A number of trade barriers have been removed, but that is a difficult program and consequently it is one that is going to take a long time to work out. The nations of Europe need a balanced budget. As a matter of fact, that is one of the great problems that we are also facing in our country today. In some of these countries they have not imposed adequate taxes, and in one or two instances they have not collected the taxes that they have imposed. But great progress has been made in bringing about reforms in these respects. Moreover, a great deal has been accomplished in regional cooperation, yet much more must be done. Naturally, there is a desire on the part of each nation of Europe to become self-sufficient rather than remain dependent upon its neighbor nations for some essential commodities. The ECA is trying to promote a program of regional cooperation, so that one nation will rely more

upon another nation for the things that nation is best prepared to produce.

We have two alternatives today. One is the ECA, which will bring about recovery of our allies in Europe. The other is to prepare for war. If we cannot stop the advance of communism in Europe, then we must realize that sooner or later, after they have taken over the Continent of Europe, the continent of North America will be their next objective.

The ECA program is a defense program, and it is a much more effective defense program than one of merely preparing for war, for this reason: if we spend all our money preparing for war and war does not come, the money is wasted; but if we spend a part of our money in strengthening our allies, who will assist us in the event of war, we will at the same time under the ECA program strengthen them economically so that in time of peace we will increase our opportunities for trade and provide markets for the surpluses in this country.

We all know that the United States is a surplus-producing Nation. We must have foreign markets to dispose of those surpluses or else our own national economy will suffer. When we rebuild Europe, we are building up markets which will benefit us in peacetime, and we are also strengthening those nations to the point that they can be effective allies in the event of war.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Pennsylvania.

Mr. RICH. I suppose a good many people think I am opposed in every way to helping others, but that is not the case. I am opposed to the degree in which we are trying to aid other people, when we need so much help ourselves. Suppose you spend this \$6,000,000,000 in assisting these countries; does the gentleman believe for a minute that these countries will give every consideration to American produce, if they can buy the materials from some other country for less money than they can from America?

Mr. GARY. May I say to the gentleman that I do not believe anyone on this floor will question the motives of the gentleman from Pennsylvania. I certainly have the highest regard for him. I know that in this matter he is actuated by the highest motives. I do not agree with the gentleman, however, and the reason I do not agree with him is that I have seen the effectiveness of this program. We are encouraging the people of Europe to trade among themselves because they must have trade to live, just as we must. On the other hand, unless we can strengthen them economically, they cannot trade with us at all. We certainly must have markets for the surplus products in this country.

Mr. RICH. They have always worked things out themselves. The thing I fear will happen is what is happening in this country. We are trying to let everybody know they can get everything they want without doing anything to get it. I believe in working and earning and saving. I believe that the more you do for some people the less they will do for themselves. That is what I fear we are doing in the operation of ECA.

Mr. GARY. I think the administration of this program from that standpoint has been beyond criticism. Mr. Hoffman and his associates in the administration of ECA have tried in every way they could to see that the European nations do their part. The gratifying thing about it is that they are doing their part, and the results to date show it.

Mr. RICH. One other statement: I have the highest regard for the gentleman, and I want him to know it.

Mr. GARY. I thank the gentleman.

Mr. RICH. I have appreciated my association with the gentleman. But have you weighed the question of how far this country can go beyond the condition that we find ourselves in now, with the great demands that are made upon us for the people of our own country? How much further do you think we can go on? I know that we have a lot of fine men on the Committee on Appropriations. I just think that they are overdoing it. Have you figured how much we can go in the red this next year and still be economically sound?

Mr. GARY. It is important to find out how far we can go, but it is more important in my judgment to know how far we must go. We must go far enough to protect this country. To have an inadequate program for the ECA would be worse than having none at all, for this reason: If you have no program at all, then you can take the money now used for the ECA and use it for atomic bombs and an increased Army and Navy in this country. If, you have an adequate program, you will strengthen our enemies—pardon me, I mean you will strengthen our allies to the point that if war should come, they will be of material assistance to us. But if you have an inadequate program, you will merely weaken the United States without strengthening our allies, and the whole amount will be virtually thrown away.

Mr. RICH. The gentleman made the statement, inadvertently of course, that we will strengthen our enemies.

Mr. GARY. What I meant to say and did say was that an adequate program would strengthen our friends.

Mr. RICH. Of course it was a slip of the tongue. I know the gentleman did not mean to say that. But what I am afraid of is that by trying to strengthen our friends we may be making a mistake.

Mr. GARY. I said we were trying to strengthen our allies.

Mr. RICH. We gave Russia over \$12,000,000,000 worth of equipment, which they have in that country. We are fearful of them now, and we wish we had it back.

Mr. GARY. We are not doing that any more.

Mr. RICH. We are doing the same thing, perhaps, with some of these other countries which may turn on us. Under the North Atlantic Pact, we are figuring on helping them, and they are preparing for war over there. They might turn around and use that against us. That is what I am afraid of. I think you have to keep your eyes and ears wide open for fear that some of these things, which we think are going to be blessings, will turn out to be anything but blessings to our country.

Mr. GARY. I agree most heartily with the gentlemen on that. I think that is what our committee has done. We are trying to see that this money is used properly.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. RABAUT. The gentleman from Pennsylvania [Mr. RICH] asked the question: How far can we go in the red on this? I would like to ask the question of the gentleman from Pennsylvania, how far does he think we will go in the red if we have a "hot" war?

Mr. RICH. The gentleman from Pennsylvania will answer that question, if the gentleman would yield for that purpose.

Mr. GARY. I wish the gentleman would not ask me to yield now.

Mr. RABAUT. Let us thresh that question out on our own time.

Mr. GARY. I would like to give the gentleman the opportunity to answer, but I feel that I have yielded sufficiently.

Mr. Chairman, I want to say to the gentleman that the aim of our committee was to provide for an adequate program at the least possible cost. Let us look at the costs briefly.

Mr. RICH. Mr. Chairman, will the gentleman permit me to make a statement in reference to the question asked by the gentleman from Michigan [Mr. RABAUT]?

Mr. GARY. I yield.

Mr. RICH. I believe that if we would talk peace, and work and do everything for peace in this great Nation of ours, and in all the world, instead of talking so much about the probability of having war with Russia—if we would send a commission over there, by the President of the United States, to try to get together with them peacefully, we would accomplish a great deal more than by trying to prepare for war. Whenever we make these great preparations for war, we have a lot of fellows who want to use the machinery of war. That is what will happen. But if we talk peace and try to keep from spending our money for arms and munitions, and things of that kind, then we will have peace.

Mr. GARY. May I say this—of course, if the gentleman from Pennsylvania believed, as I do, that this program will promote the peace of the world, he would not object to one dollar that we are spending. From the bottom of my heart I believe that it will do just that. That is the reason I stand before this body today, with all the sincerity of my being, to ask you to provide for an adequate program for the ECA, which I think is the greatest factor we have for the advancement of world peace today.

Let me talk for a few moments about the figures. In the ECA authorization bill recently passed by this Congress, we authorized \$1,150,000,000 for the period from April 3 to June 30, 1949. In addition to that, we authorized \$4,280,000,000 for the fiscal year 1950. The total authorization was \$5,430,000,000. That was the original estimate for this program. But before the bill was presented to our committee, realizing that there had been some reduction in prices, when the bud-

et estimate was submitted, the President himself cut those estimates \$157,800,000 below the authorization. So that the budget estimates were \$1,074,000,000 for the period from April 3 to June 30, 1949, and \$4,198,200,000 for the fiscal year 1950, making a total of \$5,272,200,000.

The subcommittee went over these estimates very carefully. They felt that they could be further reduced. There had been some price reductions between the time of the President's budget estimates, and the submission of the report to us, which we estimated at \$42,300,000. We considered that there would be a continued decline in prices throughout next year, and that decline was estimated at \$80,000,000. In addition, there is now pending before the Senate an international wheat agreement which will probably be ratified by that body and if it is ratified the ECA, by reason of the price provided in that agreement, will save \$60,000,000.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. FLOOD. If the gentleman will permit, I wish to read a statement from the New York Times of May 24. This article states:

The cost-of-living index went up 0.1 percent between March 15 and April 15, the Bureau of Labor Statistics reported today. This represented higher average retail prices for foods, miscellaneous consumers goods and services. According to this report it marked the second month of slight price rises following 5 months of falling prices.

Mr. GARY. I thank the gentleman from Pennsylvania for that information which indicates that our subcommittee may have cut too deeply. The items which I just outlined total \$182,300,000 that the subcommittee cut from the ECA appropriations.

When the recommendations of the subcommittee were submitted to the full committee, the full committee felt that the subcommittee had not cut sufficiently; consequently a motion was made in the full committee that the amount for the fiscal year 1950 be decreased 15 percent from the amount of the budget request. That brought the figure down to \$3,568,470,000. It cut the total budget requests for ECA to \$4,642,470,000. That was a reduction of \$1,280,730,000 below the funds available for the fiscal year 1949, or a cut of 26 percent. It is a reduction of \$629,000,000, or 15 percent, below the budget estimates.

Frankly, the subcommittee did not think that was a proper cut, but we are not going to ask at this time that the amount be restored; what we are going to ask is that the House write into the bill a provision that was in last year's bill, inserted, I think, at the instance of my friend, the gentleman from New York [Mr. TABER]. The language which is identical with that inserted in the bill passed in 1948 is as follows:

Provided, That the entire amount may be apportioned for obligation or may be obligated and expended if the President after recommendation by the Administrator deems such action necessary to carry out the purposes of said act during the period ending May 15, 1950.

That means that we are appropriating this amount for a 15 months' period. If, however, it becomes necessary it may be used in a period of 13½ months. If the committee has guessed right, the funds appropriated will be spent during the 15 months' period and the entire amount stricken from the bill by the committee will be saved. However, if it develops that the program cannot be successfully carried on for the full 15 months with the funds provided in the bill, then the President may authorize that the expenditures be accelerated and the entire funds spent in 13½ months. The amendment will insure the continuation of this program which is so vital to our national defense and to world recovery.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from New York.

Mr. COUDERT. Does the gentleman from Virginia, who is my chairman also on another subcommittee, contemplate that at the end of 4 years the ECA program shall terminate?

Mr. GARY. May I say to the gentleman from New York that is one thing this subcommittee has insisted upon and we had every assurance from Mr. Hoffman and his associates that they are working to this end. They have served notice on all of the recipient countries that the program will close in 1952 as originally planned and that relief will not be extended beyond that time. I have talked with Mr. Hoffman and Mr. Harriman. They both assert that the program has gained a certain momentum at the present time and, if we do not sustain that momentum, they fear that we may not complete the program within 4 years as contemplated and it may cost us much more in the long run than making a proper appropriation at the present time.

Mr. COUDERT. Assuming that the President exercises a power to use the entire amount, what percentage of reduction do the figures in this bill represent when compared to the 1949 appropriation?

Mr. GARY. Seventeen percent.

Mr. COUDERT. I have an impression it was somewhat less than that from what the gentleman said in committee.

Mr. GARY. I said 6.2 percent below the authorization in committee, but it is 17 percent below the funds available for 1949.

Mr. COUDERT. In estimating that percentage, does the gentleman include the 1949 \$1,000,000,000 loan fund?

Mr. GARY. Yes.

Mr. COUDERT. That accounts for the difference between the 17 percent and the 6 percent?

Mr. GARY. The 6 percent applies to the authorized funds. It has no reference to the amounts used in the fiscal year 1949.

Mr. COUDERT. What is the reduction from the appropriated funds in 1949?

Mr. GARY. From the appropriated funds of 1949? They had three sums for a 15-month period.

Mr. COUDERT. I am taking a 15-month period in both cases because this

bill is for a 15-month period and the full amount is the amount that the President may call for.

Mr. GARY. Does the gentleman mean the percentage eliminating the \$1,000,000,000 loan fund?

Mr. COUDERT. Yes.

Mr. GARY. I do not have that percentage.

Mr. COUDERT. It seems to me that the committee this year and next year should consider the fact, if this is a 4-year program, that it ought to be reduced pro rata in each year so that when it comes to the end there will not be an enormous sudden drop in funds being paid out by the United States to Europe, which might adversely affect our economy and the European economy.

Mr. GARY. I understand what the gentleman has in mind. We started this program about a year ago. It took some time to gain momentum. The Administrator feels we should not reduce quite as much now because we have gained that momentum; but, if we keep up this momentum this year, next year we can cut more drastically and the following year more drastically still. As recovery progresses the countries will need less money. By this program we are building these countries up to where they become self-sustaining, so that the greater their recovery the less money the United States has to contribute.

Mr. COUDERT. The gentleman realizes, I take it, that all concerned with this program admit that at the end of 4 years the ERP nations will not have attained self-sufficiency. That is true, is it not?

Mr. GARY. No; I do not think that it true. I do not know that they will be completely self-sustaining, but they will be in position to go along without further aid from this program.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Ohio.

Mr. VORYS. On the point that has just been brought up, and it has been brought up a number of times before, I think the House should be reminded of what these countries over there are doing themselves. It was brought out before our committee and before the House when the extension bill was up. The OEEC—the Organization for European Economic Cooperation, set up by these 16 European nations—when it received estimates from the various member governments for this year and for the period up to 1952, found those figures were out of balance by over \$3,000,000,000, and that Europe would have a dollar deficit of that amount at the end of ECA, if these estimates were used. The OEEC itself refused to accept these figures and sent them back to every country, saying in substance: "You have got to refigure this so that instead of a \$3,000,000,000 deficit in 1952 we come out even."

It was felt, and I think with some justice, that this was a step in the right direction by this Organization itself. They refused to rubber stamp the reports, as I fear they did in 1948, but instead they criticized these reports and returned them without approval. They said, for

instance, that each country was trying to achieve entirely too much self-sufficiency, and they had better refigure their estimates, and cooperate, so as to get Europe in balance by 1952.

I want to point this out; while the amount of money we furnish by way of grants, subject only to the deposit of counterpart funds, should shrink down finally to nothing at the end of the 4-year period, in 1952, the amount of material that we can furnish from our farms and factories will not only be available but will increase. What we should aim to do and what the OEEC should aim to do is not to cut down the exports from the United States but to arrange to pay for them, either in cash or credit, by 1952, and I feel quite confident that that can be done.

Mr. GARY. I thank the gentleman for his contribution.

Mr. THOMAS of Texas. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Texas.

Mr. THOMAS of Texas. I would like to commend the gentleman from Virginia for his interest, being certainly one of the hardest-working Members of the House, and for the very fine, clear statement he is making.

I noticed in the paper this morning that an agreement has been worked out. I understand time is of the essence, and therefore the gentleman did not have the opportunity to advise the full Committee on Appropriations nor the House of the agreement. I just wonder if he will explain it sometime in his own time in detail. Does the gentleman intend to do that later, or would he care to do it now?

Mr. GARY. I will say to the gentleman that I have just explained that when the bill is up for amendment I shall offer an amendment to place into the bill identically the same language that was in the bill last year; the language which I just read a few moments ago on the floor.

Mr. THOMAS of Texas. That is fine. I understand that; that is very clear. From there let us go two or three steps further. Does the gentleman intend to offer a motion to restore the funds?

Mr. GARY. No.

Mr. THOMAS of Texas. Or leave the funds as they are now?

Mr. GARY. We leave the funds as they are now. That is, the ECA funds?

Mr. THOMAS of Texas. That is right. Now, will the gentleman's motion include the occupied countries' funds?

Mr. GARY. No. I am coming to that right now.

Mr. THOMAS of Texas. Will they be touched in any way?

Mr. GARY. I am coming to that right now; if the gentleman will just wait, I will explain the rest of it. I have completed my statement with reference to ECA. If the gentleman will just give me a few moments, I will attempt an explanation of the other items.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Mississippi.

Mr. WILLIAMS. I have in my hand a letter received on May 19, over the signature of Mr. Paul Hoffman, in which he admits that lumber is being purchased

behind the iron curtain under the ECA program in competition with the American lumber industry. I therefore assume that the same thing is true of other commodities.

Now, can the gentleman, who is well-versed and well-informed regarding these appropriations and the uses thereof, explain to me, first, how that is consistent with the program; and, secondly, will he tell the House how much ECA money is being spent behind the iron curtain in the procurement of commodities in competition with American industry?

Mr. GARY. So far as we know, absolutely none. There may be some isolated instances, the gentleman will understand.

Mr. WILLIAMS. If the gentleman wants to see this letter, I will be very happy to show it to him.

Mr. GARY. He admits that that might be true?

Mr. WILLIAMS. He says:

We may add, a comparatively small amount—

Speaking of lumber—

has been authorized for procurement behind the iron curtain.

Now, I would like to know how much is being procured behind the iron curtain.

Mr. GARY. There is no provision in this bill for any countries behind the iron curtain.

Mr. WILLIAMS. Before the House votes on this measure, does not the gentleman feel that we should know how much is being spent behind the iron curtain?

Mr. GARY. None is being spent behind the iron curtain.

Mr. WILLIAMS. Then Mr. Hoffman is wrong?

Mr. GARY. He said there may have been. There may have been in the past, but there is none at the present time, as I understand it, and there are no funds in this bill to be spent behind the iron curtain.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Illinois.

Mr. YATES. I think perhaps what may confuse the picture is that some of these countries are still dealing in their own currencies with countries that are behind the iron curtain, using soft currencies, but not with the dollars that come from the United States under the ECA program.

Mr. GARY. Certainly there is no money in this bill for any country behind the iron curtain.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from New York.

Mr. TABER. It is true, however, that some of the participating countries are trading with countries behind the iron curtain and receiving certain supplies from them. For instance, Poland is sending coal and timber to the different countries. I think there are some food shipments out of Yugoslavia into Italy. Perhaps there is a little meat coming in. I would not be sure about that. I think that is true.

Mr. GARY. There is some coming from some of the countries; yes.

Mr. WILLIAMS. By way of explanation, let me say that this letter written by Mr. Hoffman has sole reference to purchases and procurement under the ECA program.

I will read further from Mr. Hoffman's letter. He says:

It is the purpose of this policy—

Speaking of the policy adopted by the ECA—

to assure to the United States lumber industry an opportunity to compete for ECA-financed business.

Mr. GARY. And not countries behind the iron curtain.

Mr. WILLIAMS. Before he came to that, he admitted we were purchasing lumber behind the iron curtain.

Mr. GARY. Not that we were purchasing lumber behind the iron curtain. As the gentleman has explained, there is some trade between the countries; yes.

Mr. WILLIAMS. It is being purchased by American money.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Minnesota.

Mr. JUDD. I wonder if the confusion may not arise from the possibility that some of these countries may have used for buying behind the iron curtain some of the counterpart funds, funds that they put up in their own currency to match the value of what we send over in dollars. There is no reason so far as I know why they should not use it for that purpose if authorized by the Administrator. Furthermore, we must remind ourselves again that the one objective of this program is to help them get in such a position that they do not have to buy so much in dollars or in hard-currency countries; otherwise, we never can end the program.

Mr. TABER. If the gentleman will yield further—as I understand, these counterpart funds are used entirely within the country to which the goods are sent. The counterpart funds represent a fraction of the receipts from merchandise that is sold that is contributed from our purchases from participating countries and Western Hemisphere countries and ourselves, to ship over there. None of those counterpart funds are used in any way outside the country into which the goods are sent, as I understand.

Mr. GARY. That is correct.

Mrs. DOUGLAS. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from California.

Mrs. DOUGLAS. The distinguished former chairman of the Committee on Appropriations is quite correct. Counterpart funds are not used to finance trade between the countries of Europe, either between the western countries of Europe or in east-west trade. There is today east-west trade in Europe. There has always been east-west trade in Europe. Eastern Europe has the grains, the coal, the wood western Europe must have. Without such trade, the Marshall plan would cost many times over what it is costing to get the western

European nations back on their feet. East-west trade is not financed out of American dollars.

Mr. Chairman, you may recall the statement I made on the floor, when the ERP legislation was before the House. I handled that part of the program, explaining the intra-European-payments plan for the Foreign Affairs Committee. I pointed out that there are little Marshall plans underwritten by the Marshall-plan countries—intra-European-payments programs that permit trade to be carried on between the western nations in Europe and, where it is necessary, between the western nations and the eastern nations of Europe. Western Europe must import such things as wood, wheat, coal, and dairy products. For instance, England imports her eggs from Poland. Wood comes from Russia to England. If England had not been able to get wood, she could not have started building homes for those hundreds of thousands of families whose houses were bombed out in the war.

Intra-European trade is carried on through trade arrangements financed by local currencies. It is not financed by our dollars.

You will recall, Mr. Chairman, that when the ERP program was originally discussed in the House, the committee of the House amended the bill prohibiting exports to the ECA countries of any goods in short supply in this country.

That is why in some instances ECA countries have gone outside of the United States to buy wheat and other products. First, they do not begin to have enough dollars to buy in the United States all the food and raw materials that they need. Second, many of the products which ECA countries imported last year from one another, other parts of the world or the eastern countries, were not available in the United States or were in short supply. The Marshall-plan countries in trading with eastern European countries by agreement have observed the same trade regulations the United States observes in trading with eastern European countries in regard to the export of military potential.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. JAVITS. I would just like to ask this question to try to clear up this matter. Is it not the policy of the Committee on Appropriations that European countries under the recovery program shall first use, wherever possible, their own currencies and second, that if they do have to use our dollars, they will buy them in the cheapest possible markets. Is that not the whole reason for whatever trade is carried on between east and west Europe?

Mr. GARY. That is not the policy of the Committee on Appropriations—it is the policy of the Congress of the United States.

Mr. JAVITS. Exactly.

Mr. GARY. The Committee on Appropriations felt, as I stated at the very beginning, that it was not our duty and responsibility to determine policy. Those policies have been determined by the Congress of the United States. It is

our duty to determine how much money is necessary to carry out those policies and that is what we are trying to do.

Mr. JAVITS. That is the policy, as you understand it, as I have stated.

Mr. GARY. Exactly.

Mr. JAVITS. Another question. Is it not a fact that Europe, having had approximately \$11,000,000,000 deficit when we started this program, even if there has been waste; it has been cut down to \$3,000,000,000 in 4 years, and ERP has more than paid its way and has done a remarkable job.

Mr. GARY. There is no question about it.

May I speak briefly with reference to GARIOA and EROA. GARIOA is Government and Relief in Occupied Areas; and EROA is Economic Rehabilitation in Occupied Areas. It is the ECA for Japan. The appropriation for these items for 1949 was \$1,300,000,000. The budget estimate for 1950 was \$1,000,000,000. The subcommittee recommended \$949,600,000. In other words, the subcommittee cut the appropriation because of decreasing prices, which we went into very carefully, and because of some administrative savings, which we thought could be effected—\$50,430,000.

The full committee recommended a cut of 15 percent in the GARIOA and the EROA funds. While ECA is a voluntary program, GARIOA is a legal responsibility of the United States. We must take care of conquered territories. At the present time we are changing the administration in Germany from military government to civilian government. It would be extremely unfortunate if, at this time, we should make such cuts as would embarrass the new administration, which is just taking over under Mr. McCloy. Therefore, at the proper time, an amendment will be offered, not to restore the entire amount of the cut, but to restore for GARIOA \$75,000,000 of the \$150,000,000 stricken by the committee, and to restore of the administrative funds, which does not mean any additional appropriation, because they are taken out of the total appropriation, \$45,000,000, which is a reduction of \$5,000,000 from the amount requested in the budget.

In addition, this bill carries an item of \$50,000,000 for assistance to Greece and Turkey. There have been no changes in that amount, either by the committee or the subcommittee. The House has authorized an appropriation of \$275,000,000 for that purpose. We have previously appropriated \$225,000,000. This bill merely appropriates the remaining \$50,000,000 to be expended as a stop-gap fund until the recommendations come through for the Atlantic Pact program. It is understood that this appropriation will be taken into consideration when the budget requests are submitted for funds to implement the Atlantic Pact.

The \$50,000,000 will finance the Greek and Turkish programs until October or November.

I want to apologize to the membership for taking so much of their time, but I did want to give you a complete and full explanation of this bill. I hope the House will see fit to adopt the two amend-

ments which have been suggested. With these amendments this bill will adequately take care of the situation for the next year, and will show the Communists in Russia that we really mean business in this recovery program. Moreover, our action will tremendously strengthen the hands of Mr. Acheson, who is in Paris today, negotiating with the Foreign Ministers of Russia, England, and France.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. GARY. I shall be happy to yield to the gentleman from New Jersey.

Mr. CANFIELD. Mr. Chairman, before the distinguished gentleman from Virginia relinquishes the floor I wish to make this observation: I know something about the gentleman from Virginia; I know something about his interest in and his work for drastic Federal economies. I was chairman of the Subcommittee on Treasury-Post Office appropriations in the Eightieth Congress, and the gentleman from Virginia served under me. He gave me 100-percent support in my program to cut severely the requests of the President and the Bureau of the Budget; furthermore, when we faced the Senators in conference on the other side of the building he was a stand-up man in conference, so much so that one of the elder statesmen who had served in the other body for some 20 years made this statement: "GARY, of Virginia, and CANFIELD, of New Jersey, are pretty tough conferees, the toughest I have ever faced." So I congratulate the gentleman from Virginia on the job he is continuing to do in this Congress as the present chairman of that subcommittee and as chairman of this special Subcommittee on ECA. He is a credit, a distinct credit, to the Congress and the country.

Mr. GARY. I thank the gentleman from New Jersey and remind him that with his help we cut the Treasury-Post Office request this year by \$100,000,000, but \$40,000,000 of it has now been restored in the other body.

Mr. ABBITT. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. ABBITT. I desire to take this opportunity to express my appreciation for the splendid manner in which the gentleman from Virginia [Mr. GARY] has explained this important piece of legislation. I desire to compliment him highly and extend him the thanks of myself and others who feel likewise, for the wonderful work that he and his subcommittee have done. We of Virginia are wholeheartedly supporting the gentleman and wish him to know that we appreciate the wonderful work that he has done.

Since April 2, 1948, this program has been in effect. Its purpose is to help the European countries help themselves recover economically. At the time the program was instigated, economically, western Europe was bankrupt. The question was whether or not the democratic countries would be able to survive economically. They were on the brink of collapse internally. Since that time much progress has been made to date toward European recovery. Agricultural

and industrial production has been steadily rising, living conditions have been improving, and morale is higher now than at any time since the war ended. Despite these favorable aspects, inadequate progress has been demonstrated in certain features of the program. The aid being extended by the United States is a relatively small but vital factor in the aggregate of what must be produced and accomplished for Europe to become self-supporting by June 30, 1952. The progress made toward recovery up to now is largely attributable to the efforts made by Europeans themselves, and the success or failure to achieve adequate recovery by 1952 will also depend principally upon the efforts made in Europe. Continued aid in declining volume by the United States will, however, be an indispensable factor. In other words, due to the progress that has been made by the western democracies in Europe, it is now possible to reduce the amount of our aid, but aid is a vital and necessary factor in the continuing recovery of Europe.

It is necessary to have an expansion of production, consumption, and trade in Europe and throughout the world during the period of the European recovery program, and after it has ended, if the objectives of the program are to be realized. It is most important that care be exercised that any tendencies on the part of participating countries to indulge in uneconomic self-sufficiency are not implemented by the investment of aid funds, or funds contributing to requirements for aid. It is conceded by all people familiar with the program that it has done a wonderful job, that the administration of the plan has been carried out in a businesslike and highly efficient manner and speaks well for Administrator Hoffman and his staff.

Mr. GARY. I appreciate the very gracious words of my colleague, but being a politician, I may say that I value votes above commendation, and I hope that the House will endorse my views by its vote.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. DAVIS of Wisconsin. The gentleman's explanation of the bill has been very helpful and I am sure all Members of the House appreciate the splendid job the gentleman has done. My question has to do with the section of the bill dealing with the National Military Establishment authorization for the Administrator to use funds for the transportation of relief packages to Japan and some of the occupied lands; but I do not find anything in the section authorizing the ECA and its Administrator to do that same thing for the European areas. I understood such a provision was included in the bill last year.

Mr. GARY. It is included in this bill. We have not touched that at all.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Virginia has consumed 58 minutes.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWN of Ohio. Mr. Chairman, earlier today the Commission created by the Eightieth Congress on the Organization of the Executive Branch of the Government held its last official meeting at the White House and submitted its final report to the President, the Vice President, and the Speaker of the House.

This bipartisan Commission, the membership of which was appointed in July of 1947 by President Truman, Speaker MARTIN, and Senate President pro tempore VANDENBERG, has worked diligently at the task assigned it for the past 21 months. In its work it has had the assistance of several hundred outstanding American citizens, many of whom have made great personal sacrifices to serve their country.

Including the final summary or report filed today, the Commission has submitted to the Congress 19 official reports setting forth 318 findings and recommendations which, if followed, will make possible huge savings and greater efficiency in the operation of the Federal Government. Now it is up to the Congress and the President to make effective the new economies and efficiencies in the public service which have been charted by the Commission.

Those serving as members of the Commission have been: Hon. Herbert Hoover, ex-President of the United States; Dean Acheson, Secretary of State; the late James V. Forrestal, Secretary of National Defense; Arthur S. Flemming, former Chairman of the Civil Service Commission and now president of Ohio Wesleyan University; Joseph P. Kennedy, former Ambassador to Great Britain; James H. Rowe, Jr., former White House secretary and Assistant Attorney General; Dr. James K. Pollock, professor of political science, University of Michigan; George H. Mead, industrialist, of Ohio; Senators Aiken, of Vermont, and McClellan, of Arkansas; our former colleague in the House, Carter Manasco, of Alabama; and your humble speaker, author of H. R. 775, the bill which created the Commission.

At the meeting to organize the Commission, held in the Cabinet room at the White House and presided over by President Truman, I had the pleasure of nominating our only living ex-President, Herbert Hoover, for Chairman of the Commission. He was unanimously elected, as was Dean Acheson, as Vice Chairman.

And now that the Commission has concluded its labors and will cease to exist in a few days I wish, not only in my own behalf, but in behalf of other members of the Commission, to take this opportunity to pay a tribute to the great American who served as our Chairman and by whose name the Commission on Organization of the Executive Branch of the Government is best known—Herbert Hoover.

Most men, when they have suffered a political defeat, retire to nurse their

grievances. Many men, when they have reached the venerable age of three score and ten, sit back to reminisce on their past greatness. Few men—very few, indeed—take on new tasks and new careers at such an age. Few men disregard their personal comforts, their own needs, and the possibility of physical exhaustion, to serve the public interest at such an age.

Herbert Hoover is today the leader of no political party. He is not regarded solely as a former President of the United States. He has found altogether a different place in the hearts of our people, a place that might be the envy of any man. It has come as the blossoming of a great understanding, and from the universal response to a simple man who loves his people and has devoted the whole of his days to them. If men call him our elder statesman, it is for want of a better phrase. Rather, he is the father and the mother of our generation—the strong, spiritual man who steps in to assume and do unbelievable tasks—the tender person whose compassion and faith bring to such tasks an intuitive sense of what is right and good for us.

Herbert Hoover is of the soil of America. An Iowa farmer's son, born of a devout Quaker family, he was in early childhood left an orphan to the care of relatives. Sent to Oregon, it might be said of him that he has had to work all his life, from earliest childhood. And out of it came his robust body, his tireless energy, his ability to keep at his tasks with strength and determination.

Herbert Hoover never seems to age. Certainly during the past decade he has grown younger in spirit, if more mellow and universal in his philosophy. His has always remained the Quaker concept that it is sounder to help people to help themselves than it is to make them permanent subjects for charity, either by private or public coddling. He has never recognized any people as an enemy of this country, even when at war. Rather he has regarded them as erring children of God to be pitied and guided aright. Often, in a materialistic era, this essential Christian attitude has been mistaken for weakness and compromise, and even as a willingness to forgive one's enemies, rather than the merciful understanding of a great soul.

Children and women and aged men are not enemies, even in time of war. They are but the victims of mistaken policies and misguided leaders, and of the fallacies inherent in the doctrine of the supremacy of the state over the freedoms of the individual. Perhaps the steadily rising respect for Mr. Hoover's judgment is the result of his having, for so long, been unpopularly right while so many others were so popularly wrong. He has viewed human events in terms of large historic forces, rather than by the smallness of party politics. The truth will reassert itself in each generation, no matter how brilliantly falsehood and error are presented to beguile the minds of the unthinking and the hearts of the immature. Truth, at times, seems cold and hopeless, while falsehood is like a beautiful tree that blossoms gaily in the spring, yet produces no fruit in the autumn.

Since Herbert Hoover has left the Presidency, he has devoted himself to three tasks:

First. To keeping before the American people our national ideals and traditions that they may never forget the fundamentals of their inalienable freedoms which for three centuries on this continent protected and served them and made this the greatest of all nations, not only as a material reservoir but also as a spiritual sanctuary. He has viewed American history not as the events of one country—his own—but rather as the zenith of the Christian civilization of the Western World—the growth of the ideal that man is not the servant of the state but is the master of his own soul, that his inalienable rights are by the grace of God and not the accident of political arrangements. It is a philosophy of life grounded not only in the Declaration of Independence and the Constitution but in the moral law of the Western World.

Second. He has been concerned over the sufferings of the young, the weak, and the aged, and came to their relief with his great powers of administration, offering his services to anyone who would use them, without regard to self, to cost, to his aging years, or to the expenditure of his own physical strength. During World War I he brought into being the most humane and effective organizations for the relief of the hungry and the care of the needy. The American relief of that war was an act of compassion and it will never be forgotten. During World War II, his services were not required. Yet, he organized the Finnish Relief; he sought to aid the Poles; he offered his services at all times, and, when the war was over, he actually flew around the earth twice, with side trips into South America, to effect a more equitable distribution of the available food supplies when starvation threatened in many parts of the world. This aid to mankind almost cost him his life and actually brought upon him an illness of intense physical pain. Yet, when cautioned by friends that he was risking too much, he replied, "I've lived too long, anyhow."

Third. He undertook 2 years ago to act as a servant of the Congress of the United States in heading the Commission on Organization of the Executive Branch of the Government. Perhaps there were some who imagined he was being named as Chairman of our Commission as a sort of last honor, a sinecure to top off his years and to give a public acknowledgment of his services to the Nation.

His arm in a sling, and suffering the pains of an illness brought on by his heavy labor to feed the hungry, Herbert Hoover set out to make this Commission an effective agency of Government. He devoted himself to this new task, as he has to every duty he has ever undertaken, with a thoroughness rarely expected and seldom found in a public servant.

Instead of hiring a vast multitude of so-called experts, he mobilized more than 300 citizens, each an experienced, competent leader in his particular field, to serve on task forces devoted to finding the answers to special problems. Most of the members of these task forces

served their Congress and their country without remuneration, with many contributing their own expenses.

It is my firm conviction that this Commission, on which I have had the honor of serving, has competently completed one of the most gigantic tasks ever assigned to any group of citizens. In a short period of 20 months the Commission has analyzed the nature, structure, functions, and activities of our sprawling Federal administration, prepared 24 task force reports in full detail, and issued 19 Commission reports, making 318 specific findings and recommendations for the better organization of the executive branch of the Government. Nothing has been suppressed. No data in the possession of the Commission has been withheld from the people. There has been no double talk, no evasion of issues, no protective obscurities.

The affairs of this Commission have been administered entirely by Herbert Hoover. He has labored with each task force, read every report, directed the work of the Commission so as to save time and expense, and has given to its labors an over-all philosophy based upon American ideals and history. Our task force and Commission reports are today the only existing source material which fully and impartially describe the actual workings of our Government. They will be used for decades to come as a guide for our people and our officials toward better government.

Now that the work of our Commission has concluded—now that the final report has been filed—I wish only to call attention to the Herculean labors, the superb patriotism, the utter selflessness of one of our greatest Americans—Herbert Hoover.

May God grant that his vigorous health, his earnest spirit, his wise philosophy may long be at the service of the Nation he loves. May God grant that in the years ahead he may enjoy the respect, the love, and the veneration of a grateful Republic.

Mr. TABER. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this bill as it is reported by the committee carries \$3,568,470,000 for the ECA for the fiscal year 1950 and \$1,074,000,000 for the 3-month period ending June 30, 1949.

On April 2 there remained unshipped, according to the table that was first presented to us, \$1,953,000,000. According to the statement that was later made, it was estimated that the shipments had been \$3,774,000,000. That would leave \$1,226,000,000. With the funds that are carried in this bill they would have available to ship \$5,872,000,000 in the 15-month period, leaving an amount of \$391,000,000 available per month, or \$90,375,000 per week all the way through, if it were all used.

This would be at a far higher rate of shipment than they have already attained on an average for any 3-month period, and a higher rate by far than the \$315,000,000 per month that the last report showed of estimated shipments to the 31st of March, so it seems to me that with the funds that have been reported here they can unquestionably get along.

I shall not, however, oppose the amendment which the gentleman from Virginia [Mr. GARY] stated he would offer. I shall support it because I feel that it is very important that whatever is done here shall be done by as nearly unanimous a vote as is possible.

Mr. Hoffman has agreed that he will try his best to get along and do the job on the amount of funds that are available for the period involved, and I have not the slightest doubt but that he can do it.

There are a great many things that are involved. The future prices of corn and grain are down below the figures that are carried in here. My understanding is that the futures prices of grain represents just about what the Commodity Credit Corporation has set as the loaning price that will be in effect next year. Lard, for instance, is down from \$310 a metric ton to \$265, between the middle of April figures that they gave us and the price that seems to be current in the New York FAS market.

Raw cotton: Futures of raw cotton are down. The October price is down from \$519 a ton to \$397. Lead prices are down from \$334 to \$308. Zinc prices are down from \$331 to \$264. The prices of hides are down very considerably.

There we have the picture. I do not think there is the slightest doubt that the United States of America can ship everything which needs to be shipped across the water with the funds that are carried in this bill. I believe it would be much healthier if we get along on just this amount of money, from the standpoint of the ECA and from the standpoint of the rest of the world. Just to show you what is presently going on here in the United States, I wish to call your attention to the Treasury statement of May 23. That statement shows that the amount of income tax withheld by employers is down, as compared to the same period a year ago, about \$248,000,000. The amount of personal income tax is down \$59,000,000. The amount of refunds of receipts is up \$80,000,000 for that same period. The other revenues are approximately in the same category. That indicates we are in a very serious situation. The receipts so far this year exceed the expenditures, but not by an amount which makes us feel we should move into anything except with the greatest care and the most cautious approach.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. WHITE of Idaho. The gentleman says he is for the bill and he says that it will improve the market and make a better outlet for wheat and cotton. Has he given any consideration to metals in this country?

Mr. TABER. Metals?

Mr. WHITE of Idaho. Yes. Does the gentleman know that \$190,000,000 are allocated in this bill for the purchase of strategic materials in foreign countries in competition with the metals which we produce here?

Mr. TABER. There will be no strategic materials brought into this country as the result of this bill, with the possible exception of some small items,

which will come in as a result of the use of the counterpart funds. That will not hurt any metal industry in this country.

Mr. WHITE of Idaho. Does the gentleman say that for zinc, lead, and copper?

Mr. TABER. Yes. I say that because the zinc, lead, and copper stock piles in this country are going to be built up just as much as possible for the protection of our own military position. I do not believe there is any suffering in any of those industries.

Mr. WHITE of Idaho. Has the gentleman taken into consideration the market quotations on lead, copper, and zinc in recent weeks?

Mr. TABER. I just gave you the figure on that, as compared with what they were a while back.

Mr. WHITE of Idaho. Has the gentleman obtained any statistical information from the ERA on the importation of copper, lead, and zinc?

Mr. TABER. No; I have not obtained any information from them, but I have been watching the markets and I gave you the trend of the markets, which is very similar to the trend of the markets on almost everything.

Mr. WHITE of Idaho. Does the gentleman know that negotiations now are under way between the ECA and these Marshall plan countries to provide money not only to buy copper and zinc and lead, but also to develop the mining properties in these Marshall plan countries? The statistical tabulation I have recently received from the ECA discloses substantial importations of copper, lead, and zinc into this country financed by ECA money at the same time the market quotations disclose the price of these metals are continually declining and with the fall in metal prices the price of the securities of most of our industrial concerns are also falling.

Mr. TABER. While I think that is true to a certain extent, on the other hand we are not able to take care of our own requirements in good shape in this country, and I do not believe that this is going to prejudice legitimate industry in any way in the mining of lead and zinc.

Mr. WHITE of Idaho. As a matter of fact, 5 percent of all appropriations made are allocated or set aside and earmarked for the purchase of strategic materials, which include copper, zinc, and lead.

Mr. TABER. No; that is not exactly correct. Five percent is set aside. That represents these counterpart funds which may be used for that purpose, but the amount that is being used is very, very small.

Mr. Chairman, I do not believe that I can yield further at this point.

Mr. WHITE of Idaho. I think that is a very vital matter, I may say to the gentleman; I think the miners in our country should be given preference over foreigners.

Mr. TABER. It is; there is not any question about it.

The result of our examination of the receipts in this country indicates that the withholding tax is down, the other income taxes are down, and the refund of taxes is up \$80,000,000, indicating a total collection nearly \$400,000,000 less for this month than we were a year ago.

This indicates that we need to economize.

The countries across the water are very gradually getting into a position where they need a little less than they needed before. We should not give them more instead of less. Right while we were holding the hearings it came up that the President had reduced the amount that would go to Germany under the ECA program by \$80,000,000 because they had increased their expected exports to other countries by \$100,000,000 and as a result they were able to get more of the things that they were able to import than they had before. The production in Germany is going up very rapidly as a result of that; they will go up another \$100,000,000, in my opinion, next year; perhaps they will go \$200,000,000 above. That same thing applies to the French and the British production, and the Italian production; as they approach the point where they are able to be more nearly stable, as a result of sending out more of their own exports the amount that they will receive out of the ECA will gradually go down. We should as we go along gradually reduce this situation so that we will encourage these people to be self-reliant.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TABER. Mr. Chairman, I yield myself five additional minutes.

What these countries need to do presently, as much as anything, is to stabilize their currencies on a sound basis. The French have approached it, but they have not done it; the British have withheld approaching the problem with a full sense of responsibility. If they would do that their exports would increase in France, Italy, and England, to such an extent that I believe the time can be seen in the not too distant future when they will need very much less aid. I hope that the Administrator will watch this situation very closely and that he will as he goes along reduce the amounts that are given to these countries just as fast as it can be done without slowing up their recovery. I believe that with this situation the cuts which the committee made really give them ample money to carry through the year.

Mr. BARRETT of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Wyoming.

Mr. BARRETT of Wyoming. I might say to the gentleman that I noticed in the hearings on this bill that Dr. Fitzgerald of the ECA had testified as is shown on page 352 thereof that the Commodity Credit Corporation held about 55,000,000 pounds of wool, most of which is quarter blood wools and practically all of which was of low quality and low grades and was mainly carpet wools. Dr. Fitzgerald is wholly incorrect in his statement and I was sorry to learn that he had misinformed the committee. As a matter of fact, the Commodity Credit Corporation has a stock pile of something over 75,000,000 pounds of wool; 34,000,000 pounds of this wool is shorn, grease wool, and over 40,000,000 pounds is scoured, pulled wool. Accordingly, it can be said that the Commodity Credit

Corporation is holding the equivalent of 100,000,000 pounds of grease wool.

A break-down on the wool in the Commodity Credit Corporation discloses that 32,000,000 pounds of the scoured, pulled wool is graded 56 to 58 and 20,000,000 pounds of the shorn wool is the same grade. Accordingly, 85 percent of the wool in the hands of the Commodity Credit Corporation would be highly desirable for use in Germany and in western Europe for processing for domestic purposes in those countries. There is no question that these wools would be of splendid use for blanket purposes.

I have made diligent inquiry and none of the wools in the hands of the Commodity Credit Corporation are carpet wools. The Commodity Credit officials have advised me that they do have about 10,000 pounds of forty to forty-fours but even these wools are not carpet wools and these 10,000 pounds represent but one-hundredth of 1 percent of the stock pile in the hands of the Commodity Credit Corporation. Will the gentleman tell me what provision is made in this bill for the purchase by Mr. Hoffman of agricultural commodities in surplus in this country, such as wool and the 101,000,000 pounds of beef that the Commodity Credit Corporation has in northern New Mexico?

Mr. TABER. There is no mandatory provision in this bill for the purchase of anything. The funds are appropriated, and I understand that so far as surplus commodities can be used effectively they are going to use them for the purpose of meeting the demands of ECA.

Mr. BARRETT of Wyoming. I notice in the hearings that Dr. Fitzgerald testified, page 426, that it was the intention to acquire during fiscal year 1950, 6,000 tons of ECA-financed wool. Where are they going to get that wool, will the gentleman tell me?

Mr. TABER. I cannot tell the gentleman just exactly where that wool will come from. I have not that particular document in front of me. But I imagine a considerable part of the purchase of wool by participating countries will come from Australia. Of course, we are an importing Nation as far as wool is concerned.

Mr. BARRETT of Wyoming. That is true, but we do have 100,000,000 pounds of surplus grease wool or the equivalent thereof in the hands of the Commodity Credit Corporation.

Mr. TABER. Which should be used as far as it can be.

Mr. KUNKEL. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Pennsylvania.

Mr. KUNKEL. Has ECA used all of the funds provided for it last year and, if not, at what rate has it been using them? The gentleman said earlier in his statement that the amount supplied for the future would be at a more rapid pace than has been provided by ECA in the past. Therefore, I wonder how the rate compared with last year's appropriation and how fast the funds are being exhausted.

Mr. TABER. The expenditures for the first 12 months of operation from the 2d of April 1948 to the 2d of April

1949—it may be the 3d of April 1948 to the 2d of April 1949—were in shipments \$3,774,000,000, or at the rate of approximately \$315,000,000 per month. If they ship all of this stuff in the 15 months that is here, they would ship at the rate of \$391,000,000 a month if they exhausted all their funds. There is no question about that. I do not think they should do this. I hope they will not, because I really believe the funds that we have provided here should carry them through to the 30th of June next year and still leave them with pipe line enough to go on until new stuff may be purchased.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GARY. Mr. Chairman, I yield 15 minutes to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, may I join the distinguished gentleman from Ohio [Mr. Brown], in the eloquent and richly merited tribute paid to one of the greatest American statesmen of our time, ex-President Herbert Hoover, and in the urgent recommendation that the Congress give prompt and sympathetic consideration to the report of the Hoover Commission.

No one can question the necessity of a revision of our governmental procedure. It has grown like Topsy, without planning or system. We have added a section, an extension, an accession here and there. From time to time we have enlarged and extended duties, prerogatives and functions embracing in the aggregate vast and intricate ramifications so that it is now imperatively necessary that we institute an over-all revision and readjustment which will eliminate duplication, and unnecessary activities and machinery, and reduce the cost of government, and give us a better and a more economical and a more effective administration of the greatest Government on earth. For this important work no one could be better equipped, better qualified, better prepared, or better trained than ex-President Hoover. No one has had the experience, no one has greater capacity, and certainly no one can exceed him in his patriotic desire to be of service to the Congress and the country.

It might be added that he has mobilized about him a staff of the best-trained and most efficient men to be secured, men whose work is calculated to secure results which will meet with general approval.

It must not be forgotten that many of the supernumeraries whose functions and prerogatives will be circumscribed, and whose expenditures will be curtailed by any reasonable reorganization of the Government, can be counted upon from the beginning to oppose any change in their personal or official status. It must not be overlooked also that in their opposition to recommendations of the Hoover Commission they will not be naive enough to give the real reasons for their objections, but will seek to bring in other organizations and groups and assign to other reasons their efforts to obstruct the prompt and efficient prose-

cution of this much-needed reorganization.

May I reiterate what I have frequently said on this floor: It is to be hoped that regardless of party affiliation we can cooperate to secure an early and a satisfactory consideration and disposition of the reports of the Commission.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from New Jersey.

Mr. CANFIELD. The distinguished gentleman from Missouri, and my able chairman has, in my opinion, made a most important statement on the floor of the House this afternoon, and I hope it will be reported by newspapers throughout the country.

Now, does he not think that it would be a most inspiring, a most wholesome thing for our country if the Eighty-first Congress were to adopt in toto the reports of the Hoover Commission?

Mr. CANNON. I always welcome a suggestion from my distinguished colleague, the gentleman from New Jersey. I have found him in his long and useful service in the House always ready to cooperate in any movement for the welfare of the Government, and the Nation. His suggestion should have every consideration.

Now, Mr. Chairman, because we have by previous agreement practically fixed the terms of the pending bill—instead of taking additional time for its discussion after it has been so thoroughly covered by the gentleman from Virginia [Mr. GARY] and the gentleman from New York [Mr. TABER] I desire to discuss at this time a collateral matter of general interest I trust to the Congress and to the country.

The history of fiscal legislation in the American Congress over the last three decades has been marked by an insistent demand from the country, and by a consistent effort on the part of the Congress to perfect a more efficient and effective system of handling the annual appropriation bills.

In the years preceding 1920 the appropriating functions of Congress were exercised by many committees, which at various times reported appropriations with little or no relation to any definite centralized plan or system. For some 10 years Congress worked intermittently but assiduously in an effort to devise a plan under which we could consolidate and coordinate the appropriation functions thereby achieving a more scientific and economical handling of national finances.

Finally, in 1921, Congress enacted the Legislative and Accounting Act, under which for the first time we were able to segregate the funds for each department and agency of the Government in one place, in the same bill. It was a decided step forward.

However, it became immediately apparent that there was a further defect in the system in the lack of a ceiling or other means of correlating expenditure with revenues—of adjusting outgo to income. Many men in these intervening years, including Swager Shirley, of Kentucky, John Fitzgerald, of New York, and Martin B. Madden, of Illinois, with

the able cooperation of talented career men like Marc Sheild and John Pugh, have sought the philosophers' stone in a correlated, consolidated budget submitted to the Congress simultaneously with authoritative estimates on the national income, but were thwarted largely by an obsolete and antiquated organization of the subcommittees.

Eventually, after long study, the Congress passed in 1946 as a part of the Reorganization Act, section 138, providing for a legislative budget under which a joint committee of the two Houses was required to submit not later than February 15 of each year a legislative budget, including a ceiling of expenditure and estimated over-all Federal receipts for the next year. It was hoped at that time that this provision would solve the problem, that it would bring into such strong relief the outgo and the income of the Federal Government as to retrench the amount of money appropriated and bring it into a reasonable relation with the national income.

But from the beginning the plan was singularly unsuccessful. The requirement that a ceiling of expenditure be fixed before hearings could be held, rendered it wholly impracticable. It was in effect a requirement for a court verdict before witnesses could be examined and testimony submitted. On the other hand, if deferred until after hearings had been completed and bills reported, its application came too late to affect the totals.

Every effort was made to comply with the law. On both sides of the aisle we made a sincere and conscientious effort to put it into effect, but it was unworkable. So apparent was it that nothing could be achieved by this method of establishing legislative limitations that the gentleman from New York [Mr. TABER], the first chairman of the Joint Committee on the Legislative Budget, in the House, and Senator BRIDGES, the second chairman of the committee, in the Senate, both said emphatically in debate on the floors of their respective Houses that it was impracticable, that it should be abandoned.

Consequently, at the beginning of the present session I introduced a resolution for its repeal. But out of deference to those who were reluctant to abandon hope that eventually it might be made effective I modified the resolution to extend the date of the report of the joint committee from February 15 to May 1. That date is now past and the Congress by its complete disregard of the law has saved the time of 104 of its busiest men and the expenditure of some thousands of dollars which otherwise would have been expended in a futile and useless gesture.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. GARY. Mr. Chairman, I yield 15 additional minutes to the gentleman from Missouri.

Mr. CANNON. Mr. Chairman, section 138 of the Reorganization Act of 1946 is now a dead letter. But the need which it sought to serve, the problem which gave rise to its enactment are still with us and growing more insistent with the increasing size and complexity of na-

tional finance. Some practical method must be found of presenting in one proposal the entire expenditure program for the fiscal year in connection with an authoritative forecast of the national income for that period.

We believe we have now developed such a method. Through a reorganization of its subcommittees, restricting each member to one subcommittee and each subcommittee to one annual supply bill, and through a corresponding readjustment of our committee staff and reporting system, permitting all subcommittees to sit simultaneously, the House Committee on Appropriations has reported to the House and sent to the Senate for the first time in the history of the Congress all annual appropriation bills within approximately 10 weeks from the beginning of the hearings. This was the first step. We had to wait until its practicability could be demonstrated.

We are now in a position to announce that beginning with the next session of Congress the Committee on Appropriations will discontinue the practice which has been in effect since the earliest days of the Congress of reporting appropriations piecemeal in separate, unconnected and uncorrelated individual bills, and will submit the annual appropriations in one consolidated omnibus appropriation bill.

The bill will be reported not later than April 15 of each year. By that time an authoritative forecast of the national income will be available. The prime question before the House when the appropriation bill comes to a vote will be whether to hold expenditures within the national income or vote to exceed the national income and increase the national debt.

In the fierce light of publicity which will be concentrated on that final vote there will be no escape from responsibility. A clear unequivocal record must be made. And public opinion will do the rest. The embodiment of all annual expenditures in one compact bill, with all duplications and conflicts eliminated and with its impact on national credit clearly outlined, will serve to offset the pleas of pressure groups and high-powered lobbies and should save vast sums of money and reduce waste and prodigality to a minimum.

No special enactments or change in rules are necessary in order to provide for the consolidated budget or its consideration in either House. As a matter of fact no Senate responsibility is involved. Under the Constitution all general appropriation bills must originate in the House. And the House Committee on Appropriations is authorized to determine, without conference, the number and form and jurisdiction of the annual appropriation bills.

For example, at the beginning of this session two subcommittees of the House Committee on Appropriations had for many years been reporting the Military appropriation bill and the Naval appropriation bill respectively. Under the authority vested in the committee we combined the two subcommittees which now report out one bill, the armed-service appropriation bill. Likewise at the beginning of the current session, we com-

bined the Subcommittee on Independent Offices and the Subcommittee on Government Corporations. From the consolidation of four bills into two bills it is only a step to the consolidation of all bills into one general bill.

Such a bill will be privileged for consideration under the general rules of the House and will remain the unfinished business until disposed of. It will be considered in Committee of the Whole and after the widest latitude in debate and amendment will be reported to the House for passage. No change in any rule or practice of the House is essential for its consideration and transmission to the Senate.

However, in view of the length of the bill and the money involved it would be perhaps advantageous to make one change in the rule governing the motion to recommit. In order to permit the minority to include in the motion to recommit, items affecting any or all of the several sections comprising the consolidated bill, and in order to insure the minority the opportunity to secure a record vote on its program or any part of its program, the rule under which the present motion to recommit is indivisible should be modified to permit any Member to demand a separate vote on any proposal included in the motion to recommit.

Accordingly, I have today introduced a resolution which has been referred to the Committee on Rules proposing such a modification. It is not essential to the consideration of an omnibus appropriation bill but it would permit a record vote on the minority program and I hope the Committee on Rules will feel warranted in giving it consideration. I might add that I have submitted it to the ranking minority member of the Committee on Appropriations, the gentleman from New York [Mr. TABER] and I am under the impression that it meets with his approval.

I do not have to remind the House that one of the many untoward effects of any war, and to an unprecedented degree in the last war, is the development in both the legislative and executive branches of the Government of an expenditure complex, a spending psychology. In the stress of war and the imminent necessity of providing for adequate national defense at all costs, we appropriate and spend with little regard for the sources of income or the possibility of securing results at less expense.

Now that the war is over it is difficult to get back to normal conditions and the exercise of prudent economy. It is hard to begin thinking again in terms of prewar expenditures and to drop from billions down to millions and from millions down to thousands—from dollars down to pennies. And may I say, Mr. Chairman, that in the present emergency in which we find ourselves, with a national debt which approximates a very substantial percentage of our national wealth, and with increasing budget estimates and decreasing revenues, we must begin to count even the pennies. Under present circumstances no economy is so small as to be disregarded.

The consolidated bill considered in juxtaposition with the available income

offers an incentive to retrenchment. As a matter of fact it is the only practical method available at this time. We hope we can have the cooperation of every Member of the House on both sides of the aisle in the consideration of the consolidated bill and in the reduction of appropriations to the smallest amounts consistent with sound business and good government.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WHITE of Idaho. Mr. Chairman, does the gentleman expect to yield to anyone in the course of his remarks?

Mr. WIGGLESWORTH. I would prefer to yield a little later.

Mr. WHITE of Idaho. If the gentleman has time?

Mr. WIGGLESWORTH. If I have time.

Mr. Chairman, this bill, as has been pointed out, carries \$50,000,000 for assistance to Greece and Turkey, \$850,000,000 for GARIOA and EROA and \$4,642,470,000 for ECA, or an over-all total of \$5,542,470,000, a reduction of \$779,730,000 below the budget estimates.

It provides for the full budget estimate for Greece and Turkey. It makes a 15-percent reduction (\$150,000,000) in the budget estimates for GARIOA and EROA. It makes a 12-percent reduction (\$629,730,000) in the over-all budget estimates for ECA.

I shall confine my general statement to the ECA item.

Mr. Chairman, I speak as one who has favored ECA from the outset.

Despite its enormous cost, in the face of the threat of world communism, I have believed the program to be vital to America from the standpoint of national security, having in mind our present relationship to the participating nations, including some 270,000,000 people, many of whom think and feel much as we do, many of whom stood shoulder to shoulder with us in World War I, or in World War II, or in both.

I have always believed, however, that we must not attempt more than we can accomplish and that the program must be carried out in the most economical way possible consistent with the recovery needs of the participating nations.

The program will continue. Every government in the world understands this. Congress has so decreed, specifically extending the program for another year and providing for a ceiling on appropriations amounting to some \$5,430,000,000 for the period ending June 30, 1950. Within that ceiling appropriations can be made at any time. The only question before us today is the question which we have in respect to every legislative authorization by the Congress, namely, the amount of funds that shall be made available now.

With a view to determining this question your subcommittee spent some three and one-half weeks in detailed hearings. You will find a great many tables of value in the hearings which help to summarize the work of the ECA to date

and conditions in the various participating nations of Europe.

You will find, for instance, a table showing allocations, obligations, shipments, and actual payments month by month. You will find a table showing the dollar deficiencies computed for each of the 18 participating countries. You will find a list of commodities to be provided on an over-all basis and by country under the proposed program. You will find a table showing the prices used by ECA in fixing the cost of those commodities.

You will also find tables in respect to each of the participating nations giving populations and areas, standards of living compared with prewar standards, production and agricultural indexes in terms of the prewar period, hours of work and rates of production, capital investment programs, budget surpluses and deficits, taxation in terms of percentage of national incomes, currency values, exports and imports, dollar investments, non-ECA financing possibilities, drawing rights, and the use of counterpart funds. There is a wealth of information embodied in the hearings.

When I look back to the presentation made to your committee a year ago, I feel like expressing my appreciation to Mr. Hoffman for the vast improvement made in presenting the facts this year. I congratulate him in this connection, and also upon the contribution toward recovery which his organization has made in this critical period of the world's history.

During the first 12 months of the ECA program there has been real progress made toward recovery in western Europe. No one can read the hearings without appreciating that fact.

Among other things, it is reported that the output of factories and mines, speaking of Europe generally, is nearly equal to that of prewar days. The output of steel, if we except western Germany, is 30 percent above the prewar output. Electric power production is 40 percent more than before the war. Crops, in general, although 1947 was a bad year, are reported up 20 percent from that year. Exports, if we again exclude western Germany, are reported up 20 percent as compared with 1947.

The hearings deal with each participating country in detail.

There is still much to be done, however, Mr. Chairman, if Europe is to be put on a self-supporting basis. The record emphasizes that there will be some 27,000,000 more people to feed and clothe in 1952 than in 1938; that property destroyed by war must be restored; and that exports must be increased by some \$3,000,000,000 over prewar figures to offset the loss of income from investments abroad and other so-called invisible items in the over-all balance of payments.

Furthermore, Mr. Chairman, budgets must be balanced with reasonable tax burdens on the people, currencies must be stabilized in realistic terms, capital investment programs must be regulated so as to avoid inflation, and the European economy, insofar as practicable, must be integrated. These are fundamental to the success of the program.

I want to point out, Mr. Chairman, that the dollar needs for each country are presented this year in terms of so-called illustrative balances of payments. You will find the computations in the hearings for the various nations concerned. Speaking generally, the balance-of-payments tables seek to determine the amount of imports essential to a given country that cannot be paid for out of the exports of that country or be obtained from nondollar sources. The resulting figure, the so-called dollar deficiency, is the yardstick used, subject to certain modifications, to represent the necessary ECA financing.

I have always been very skeptical of this dollar deficiency yardstick.

In the first place, it is not an accurate yardstick because you no sooner determine by using the yardstick what the needs of a given country are than you find that there are drawing rights in favor of that country or against that country which make the original figure rather meaningless.

In the second place, Mr. Chairman, the yardstick, in my judgment, is unsound in principle. It is unsound in principle because it places the emphasis on results rather than on causes, on symptoms of the disease rather than the disease itself. If it were taken at face value, it would place a premium on faulty domestic policies, upon the failure to do in this or that country what should be done with a view to making the plan a success. The more faulty the domestic policies the greater, generally speaking, becomes the dollar deficiency, and the greater the apparent need for ECA dollars.

I cannot but recall the remark of a distinguished European some time ago in this connection, when he said in substance, "Give me control over the fiscal and exchange policies of any country in Europe, promise to meet the dollar deficiency in my balance of payments, and I will show you the dollar deficiency."

Back in the twenties, as some of you recall, I put in some 4 years in Europe in the office of the agent general for Reparation Payments, which was concerned, among other things, with the economic recovery of Germany after World War I. There were somewhat similar organizations in Austria and in Hungary at that time, with which we were in frequent contact. In those days the emphasis was always placed on the fundamentals to which I have referred. The balance of payments was incidental and was supposed to respond to other factors.

Mr. Chairman, unbalanced budgets, overvalued currencies, limiting exports, too great investment in capital programs in reference to savings, lack of production, and in this instance lack of international cooperation and mutual aid—you will find them all discussed in the hearings—these can prevent the program from achieving the success that is so vital in terms of world peace.

It is to be hoped that the months immediately ahead will indicate substantial progress in dealing with these fundamental elements in the over-all program.

Now Mr. Chairman, just a word as to dollars and cents.

The amount made available for direct aid during the first 15 months of the program ending June 30, 1949, was approximately \$5,000,000,000.

During the first 12 months of operations ending April 2, 1949, \$3,000,000,000 was required for reported shipments and \$3,700,000,000 for estimated shipments.

This bill provides \$4,642,470,000 on an over-all basis for the period of 15 months ending June 30, 1950, or \$3,568,470,000 for the period of 12 months ending June 30, 1950.

Based on a total of \$3,000,000,000 of reported shipments in the first 12 months, ending April 2, 1949, we arrive at an average figure of \$250,000,000 a month during that period. Based on a total of \$3,700,000,000 of estimated shipments during that same period, we arrived at an average figure of \$315,000,000 a month for the period, with a pipeline of at least \$1,200,000,000 adequate in terms of actual experience to take care of the months of May, June and July in the current fiscal year.

The suggested appropriation of \$4,642,470,000 for the 15-month period beginning on April 2, 1949, and ending July 30 of 1950, will permit monthly shipments at the rate of \$310,000,000 a month, leaving a pipeline at the end of that period of \$1,200,000,000 or in the alternative shipments at the rate of \$390,000,000 a month if the pipeline be exhausted during that time.

Furthermore, Mr. Chairman, recovery is proceeding in Europe with increased momentum; large balances of counterpart funds have yet to be expended; some \$145,000,000 available, for guarantees for private enterprise in Europe have yet to be utilized; as recovery proceeds non-ECA financing should increase rather than decrease; the appointment of a high commissioner to Germany who will control both ECA and GARIOA funds may well result in savings; and prices for commodities are generally falling.

The majority members of your subcommittee felt that price declines alone justified a \$182,000,000 reduction in the over-all request. Frankly I think this estimate is a conservative one in the light of future markets for grains and other commodities on regular exchanges and support prices set for some of our major agricultural crops.

These and other general considerations should be taken into account in considering the picture as a whole.

Mr. Chairman, I want to give the House one quotation from Mr. Hoffman. At page 687 of the hearings, he makes the following statement:

Our entire planning has been directed to one and only one thing, that is, the termination of this program on June 30, 1952. And furthermore, we have made it clear to all the European nations involved, almost from the first day we started business, that the program of aid had to be on a descending scale; that the largest volume of aid would come in the first year, and a considerably lower amount in the second, third, and fourth years—each year a lower amount. That is understood; that is accepted by every government in Europe as a fact.

In other words, Mr. Chairman, it is understood by all the nations concerned

that the program is to taper off. It must taper off, of course, if there is not going to be a violent transition at the conclusion of the program in June of 1952.

In the light of this statement, in the light of actual experience to date, in the light of the general factors to which I have referred, it is difficult for me to believe that we cannot safely impose the cut recommended in this bill—a cut calling for a reduction of 12 percent in the over-all budget estimates for ECA; a cut representing a reduction from about \$5,000,000,000 to \$4,642,700,000 on a 15-month basis, or a reduction from \$3,700,000,000 to \$3,568,470,000 on a 12-month basis; a cut which permits shipments averaging \$310,000,000 monthly against estimated shipments in the first 12 months of the plan averaging \$315,000,000 a month; a cut which would leave at the end of fiscal year 1950 a pipe line of some \$1,200,000,000.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself three additional minutes.

Nevertheless, Mr. Chairman, in view of the tremendous importance of the program; in view of the desirability if possible of unanimity in action at this particular time; in view of the assurances which I understand Mr. Hoffman has given to the effect that he will do his utmost to make the appropriation carried in this bill cover the full 15-month period; and in view of my confidence in him I am not going to oppose the proposed amendment giving him the leeway he desires.

I want to see whatever is necessary provided insofar as we can provide it safely. In view, however, of the extremely grave conditions by which we are confronted at home our contribution must be held to a minimum.

I realize, Mr. Chairman, the tremendous importance of the success of the ECA program; it must succeed. I realize also, however, the tremendous importance of the economic and financial stability of America.

Incidentally, Mr. Chairman, every nation participating in the ECA program has a tremendous stake in that stability.

To impair the financial and economic stability of America would be a tragedy not only for America but for the entire western world.

Mr. GARY. Mr. Chairman, I yield 12 minutes to the gentleman from New York [Mr. McGRATH].

Mr. McGRATH. Mr. Chairman, there is but one question presented in the bill under consideration, the same question that concerned your subcommittee in its deliberations: Is the amount submitted in the bill a wise and judicious appropriation to implement the action of the House of Representatives?

On April 19 this body adopted in principle the theory that the ECA must be continued. The enactment of Public Law 47 was an unequivocal expression of a deliberate determination by the Congress that America should participate in the economic rehabilitation of Europe. In considering this from an appropriation viewpoint, your subcommittee was

guided by the thought that we should allocate only such an amount as would adequately implement the statute and accomplish the will of Congress, keeping always in mind that the sum thus made available for the maintenance of democracy would be prudent and sound.

The argument will be raised that we have not perhaps appropriated for this or that domestic project, but I respectfully submit that in appropriations the test should be, is the amount now allocated the proper amount for the particular purpose? And then the sum total of all appropriations must be balanced against our national economy. To argue that we did or did not appropriate money for a particular cause that might or might not be wise would merely open the door to an endless and fruitless discussion of each and every one of these items. Your committee, therefore, has kept in mind your recommendations of last April, and has kept in mind the underlying reason and cause for your action: the realization that only through reestablishing Europe on a sound economic footing can we halt the onslaught of communistic Russia. Bear this in mind: No nation in the history of the world has acquired control and domination over so large an area and of so large a number of people at so little cost. Russia has devoured Yugoslavia, Hungary, Estonia, Latvia, Bulgaria, Czechoslovakia, Poland, and others with the loss of hardly a soldier and at a minimum financial cost. This was accomplished by internal unrest fomented by fifth columns and augmented by disorganized national economies. The Red tide swept at its full flood to the very gates of Italy. It was feared by many—and I daresay this fear was shared by not a few members of this body—that Italy, too, would be engulfed in the crimson deluge.

But the people of Italy, inspired by their faith in the American brand of democracy as evidenced by our ECA program, raised a dike constructed of faith and courage, and dammed the red raging flood of destruction. The cruel red waters beat furiously yet against this dam. Dare we lower it by 15 percent?

The European recovery program has been a success. The participating countries have a renewed faith in their ability to solve their internal problems and they recognize the aid and guidance our Government has given to them. These countries have made great progress in expanding industrial and agricultural production. Industrial plants which had been destroyed either entirely or partially today are rebuilt. Men and women are finding employment, homes are being reestablished, and in the hearts of these people there is the realization that Uncle Sam has made all this possible.

The balancing of a nation's budget is one of its first steps toward recovery. The ECA has insisted that these budgets gradually be brought into line. Some nations whose tax structures have been archaic and poorly administered have sought the aid of tax experts in our country so that the tax burden can be justly spread over all the people of a given land.

Exports which will create employment have gradually been improved so that it can be predicted that in 1952 this program can be ended and Europe will be on a self-supporting basis.

The standard of living of the people has risen as evidenced by the chart on page 67 of the testimony which shows that most of the countries are approximating the level of 1938. It must be borne in mind, however, that this was well below the American standard at that time, and far below our present standard of living.

It has been submitted that economic conditions have not been improved in Italy by the ECA.

We have allotted to Italy from June 1948 to March 1949 \$349,000,000 and have loaned to that country \$42,000,000, which is roughly 90 percent in grants and 10 percent in loans. This year Italy will receive about \$530,000,000. Should we not then look at the picture Italy presented before the Marshall plan came into being? We all recall how Communist-inspired traitors attempted to tear Italy asunder, to halt its production, and to sabotage and destroy. Their objective in Italy, as it is in every other nation on the face of the earth, was to undermine the confidence of the people in their institutions, to destroy their courage and faith, their hope and their honor. Once this is accomplished, Soviet Russia adds another link in the chains she has forged for world domination. Consider, too, how bruised by the cruel heel of fascism and bled white by the disastrous war, these good but unfortunate people were left floundering in a morass of despair with no helping hand offered to them save by America. True, Russia offered the hammer and the sickle. Russia offered economic and moral slavery to a liberty-loving and honorable people. Would the opponents to this plan return Italy to those dark postwar days or would they not rather see that lovely land as it is now with a stabilized national government, with its national pride reestablished, and hope again blooming in the breasts of her people? What would the opponents to this plan offer? What do they offer?

Yes, there is unemployment in Italy to a number of approximately 1,700,000. Yes, there is an antiquated tax system which has placed the burden on the low-income groups and to a large extent exempted the wealthy. The Italian Government recognizes these facts and is preparing a new tax system whereunder all men will stand equally before the law. They have men here studying our tax program so that improvements can be made in their own. Further, they have been successful in the last few months in collecting huge sums from wealthy tax evaders, and this action has been sustained in their courts.

Italy's most vexatious problems currently are unemployment and housing. The testimony contains the answer to my direct question as to what was being done by the ECA and the Italian Government on these matters. I quote:

The Italian Government and ECA feel very strongly that there ought to be a considerable acceleration in the rate of construction of new housing accommodations.

We have indicated to the Italian Government our strong support for that kind of program, and the Italian Government hopes greatly to increase the rate of housing construction in the new fiscal year.

To abandon or even to curtail this program now would certainly add to Italy's unemployment, aggravate her housing problem, and serve to weaken an important cog in the economic machinery of Europe.

Now I would like to pay tribute to the Government of Italy because it has been one of the leading forces pressing for economic cooperation as well as closer political ties with the democracies. Italy has vigorously sought economic union with France. She has worked assiduously in negotiations for trade agreements with her neighbors.

We must never forget in looking at this picture that the Italian Government is now only about a year and a half old and that she is striving for and is actually reestablishing the principles of democratic government which had been denied to her for almost a quarter of a century.

It has been said by our ECA Chief in Italy, who summed it up concisely when he said:

Wherever I have gone in Italy I have found a deep and sincere appreciation of American aid on the part of Italians in all walks of life. All except the Communists who follow the party line of obstruction and chaos, reveal a heart-warming understanding of and a profound gratitude for American assistance in this joint effort to preserve the western way of life.

The ECA has a twofold program: Immediate assistance and the solution of long-range problems. The end of the war found Italy in a chaotic and pathetic condition. All means of communications were utterly disrupted or destroyed; manufacturing plants suffered the same fate; port facilities were wrecked; housing suffered tremendous losses; a flourishing merchant marine was completely wiped out; the colonies were gone; and the general state of the Italian economy was completely prostrated. Disease and famine were reaping a tremendous harvest, hope and faith in a better future had disappeared, and the people of Italy were easy prey for malignant forces, revolution and communism. The immediate objective of ECA which was to bring order where there was chaos, hope in place of despondency, and life in place of paralysis and prostration, has been fully realized at this early stage. Italy is back on its feet. Industrial plants are working, means of communication have been almost completely restored to its prewar level, port facilities are in reasonably good order, food is available, inflation has been stopped, communism has been defeated, and a fairly stable government has been established. All this is due primarily to ECA without which Italy today would surely be behind the iron curtain.

The ECA has been a successful undertaking and its dividends will be paid to the American people now and in the years to come by the democratic forces of Europe. It may be argued that we are spending money for foreign lands and foreign people. We will be ques-

tioned: "Where is the money coming from?" Certain groups will cry out against this appropriation because they have orders to keep clear the path for Soviet conquest. We owe them no answer. By their obvious and overt treachery they have forfeited all right to query us. But to the well-intentioned and economy-minded among us who raise this question we can only say that the money is coming from the American workingman's pocket and from the pocketbooks of American women. It is coming from the great middle class American men and women and it is coming from the wealthy. We recognize that the ECA and the Atlantic Pact can stop Russia. The American fathers and mothers do not want another war if it can be avoided. They will willingly pay taxes to avoid war because they know that if war comes not only will they pay greater taxes than this bill provides but they will pay in wealth infinitely more precious than gold or silver.

Mr. Chairman, I wish it were possible to take every penny of this money and appropriate it for heart and cancer research, to appropriate it for social welfare and the comfort of our people, to make our harbors better and to harness our water power, but in this world at this moment that cannot be done. If this Marshall plan had not come into being, all of western Europe would now be under the heel of the Kremlin. All of the hope and ambition of the people would have been crushed under the worst dictatorship in history. I care not if there are a few who will not appreciate what America has done but I believe that the great mass of people in Europe know that it is the United States of America that has saved civilization. Yes, Mr. Chairman, we should appropriate this money and we should pass this bill so that the countries of Europe which have given so much in the centuries past in every cultural field, and whose sons and daughters have built this Nation that is America will realize that we have not failed them.

By our action today, we will serve notice upon the Communist state, "You have gone far enough. Your aggression is ended and it is stopped by the democratic forces in the world."

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. Judd].

Mr. JUDD. Mr. Chairman, one of the real values in having to extend the authorization of a program once a year, and then to appropriate another year's funds for its operations, is that it compels us to examine the whole enterprise with greater thoroughness and concentrated attention than is ordinarily possible. We have to take a long look at where we have been, where we are, and where we want to go.

It may be worth while for a moment to go back to the psychology that prevailed here a little over a year ago when the European recovery program was initiated. It was described correctly as a calculated risk. It was recognized that if the United States did not carry out such a program of assistance to these countries in western Europe, they could not possibly recover; one by one they

would go down from strains within or pressures from without. On the other hand, if we adopted the proposed program and carried it out efficiently there was a fair chance that Europe could be restored as an area of human freedom and genuine self-government from which eventually those explosive ideas could penetrate back through the iron curtain. If we did not adopt such a program, there was no hope; if we did, there was some hope. Therefore, naturally, we were inclined to take the latter course. But at the same time there were grave uncertainties and anxieties that made most of us hesitate and caused some to vote against it. What if it didn't succeed?

I remember discussing this on a forum with another member of the Committee on Foreign Affairs. He said, "It is better to try it even though we fail than not try at all." To that I took strong exception. I thought it better not to try it at all than to try it and then fail. That would do no one any good except Russia. To make this vast effort weakens our own economy to some degree. If in 1952 we were to find that the recipient nations still were not able to stand on their own feet, our effort would not have done them any permanent good and would have done us great damage, in a kind of world where somebody has got to stay free, somebody has got to remain strong and solvent, in order to hold aloft the torch of freedom to which enslaved peoples can at least look with hope until the day comes when they can once more rally to it. The forces of freedom do exist in all countries, even though silenced in many areas for the present. It is no help to them if we go down, too.

I came to the decision to support the program after a long difficult struggle. I concluded that if there was better than a 50-50 chance of success we should make the effort. If there was not at least a 50-50 chance of success, we should not because we would be weakening the United States and its solvency without any compensating increase in their strength. If we could succeed in helping these nations get on their feet economically and strong enough to present a barrier to further extension of the glacier of tyranny moving out of the Soviet Union, it would add to our own security; it would allow us to reduce expenditures for armaments at home; and it would preserve and enlarge the area of freedom in the world with which we could expect to trade in the future. Those were all genuine advantages. We had to weigh them against the disadvantages of possible failure.

A year ago when the program was before us I said there were five criteria which it seemed to me had to be met to give a better than 50-50 chance of success, and I should like to look at them again for a moment to determine the degree to which we have succeeded in meeting them.

The first and probably the most important was this: That the 16 nations of western Europe and the 3 zones of western Germany be willing to make a far more vigorous attack upon their own economic problems, both individually and collectively, than they had made up to that time. In their individual effort

we have to give almost every country a high grade. They have done as well or even better than anyone had a reasonable right to expect, although we hoped, of course, they would do it. Once they were given assurance of continuing support from the one nation in the world that was in a position to help them, it became apparent, as had been predicted, that they had resources within themselves far greater in magnitude than was generally appreciated.

The thing that was necessary, as Secretary Harriman put it in our hearings a year ago, was to get their stalled economic machines off center. After all, the \$17,000,000,000 we contemplated putting in represented less than 5 percent of the total economic activity of those countries. Our aid was an attempt to get it started. Once it was started, would it go ahead under its own momentum?

Individually, the nations have done on the whole an extraordinarily good job. They have tightened their belts, they have improved their fiscal systems and tax collections, they have resisted the temptation to do what the United Kingdom did with the British loan, squander about half of it for nonessential consumer goods to make the people temporarily more happy and comfortable without getting at the basic problems of restoring and modernizing their productive plant, increasing their man-hour output, reducing their costs. Collectively, the record is not so good. Trade barriers have not been reduced and intra-European trade increased as much as hoped. This will mean trouble in the years ahead unless corrected, because western Europe cannot become self-sustaining without rapid progress in economic unification.

The second criterion was that the program be put under the best administrators America could furnish. Probably coequal in value with our money is the managerial know-how that America has to contribute to these countries. Efficient administration of such a program could not be expected from any of the regular departments. You will remember that was one of our fights. Some wanted to put it all under the State Department, or split it up between several departments. Others of us resisted that because the old-line agencies are not set up to administer this sort of program which must be flexible, temporary, somewhat experimental. They are organized on the seniority basis, where length of service in other types of work is the controlling factor rather than fitness for this particular job. The program had to be put in the hands of the best managers, the best administrators, America has. I want to pay tribute to the President for appointing Paul Hoffman and giving him quite a free hand in choosing the best men he could recruit from our most successful industries. They have gone into these countries under ticklish circumstances and supervised the program with great skill and tact, but with great firmness. First, through the ECA mission in each country they have scrutinized rigorously that nation's imports from the United States and other hard currency countries, in-

sisting that it resist the temptation to use the dollars we were furnishing, to buy luxury goods or semiluxury goods or even goods that would improve their immediate standard of living but were not absolutely necessary. Instead, the dollars must be used to the greatest degree possible for machines and machine tools, for fertilizer and fertilizer plants, for generators and power plants, for railroads and mining equipment, and so forth, that would increase the country's ability to get going and stay going under its own power. Our missions also scrutinized the imports from nondollar areas and tried with the utmost urgency to persuade them to import as much as possible from the areas where their own soft currency was usable.

Again, the ECA missions have examined their exports and urged them to export everything they could conceivably spare from their own economy to the dollar countries to earn every single bit of hard currency possible.

Our people also had to work on the problem of increasing inter- and intra-European trade. If each country should try just to restore itself as a separate economic unit, the program could not succeed, just as most of the States of the United States could not become economically self-sufficient or prosperous apart from the other States. We could exist, but we could not have a high standard of living if each of our 48 States were a separate, independent economic unit, with a separate currency, tariff barriers, and discriminations in favor of some and against others. Mr. Hoffman's men have done their best to get the countries to break down the barriers within Europe and increase trade so that there would be greater total economic activity.

Again, the missions are helping them increase their productive capacity, in many cases, brilliantly. For example, introduction of hybrid corn into Italy produced an increase in production by almost half in 1 year. It is the know-how America is making available to the countries which, as much as anything else, has increased not just their production, but their productivity.

Again, the ECA missions had to review the budgets of these countries, and their fiscal systems; had to help them get more money from their own people, reduce the inflationary pressures, stabilize their currency, and so forth.

I go over these things merely to indicate how complicated and difficult a problem it was and is. There never was anything like it in history. When we look back upon it after 13½ months, it is hardly short of a miracle how much recovery has already taken place, and even more important, how firm a foundation is being established from which a greater and more permanent recovery can take place in the future.

Today the nations of western Europe are about where our Thirteen Colonies were when Ben Franklin told them they simply had to learn to hang together better than they had in the past, or they would hang separately. The choice of the western European countries now is not between getting together or not getting together. They will either move

rapidly into some sort of closer economic unification and political federation or they will be taken over one by one and forced into even closer union, under compulsion, as the countries of eastern Europe have been. They will either get together voluntarily and remain free, or they will be gotten together involuntarily and become slaves.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. TABER. Mr. Chairman, I yield five additional minutes to the gentleman.

Mr. JUDD. Thank you. That is the single biggest problem the ECA has for the coming year, to push ahead with vigor in getting the recipient countries to develop their own resources fully and at the same time increase the economic activity of the whole area so that the whole may become stronger and out of that the individual parts become stronger.

The third condition which we said a year ago must be met to give ERP a 50-50 chance of success, in addition to inducing and assisting them to make, both individually and collectively, a more determined and effective attack on their problems; and setting up an administrative agency, which would be able to handle the program with utmost efficiency and flexibility, was that we in the United States be willing to put in enough to win. I felt then and still feel, that for us to put in even 10 percent less than enough to win might jeopardize the success of the whole plan. In order to provide a cushion which they might need in the case of unforeseen difficulties, such as crop failure, I would rather err on the side of appropriating a little bit more than they expected to get or than we expected them to need, than to err on the side of giving a little less and perhaps cramping it so that they could not work with flexibility and confidence and assurance. I want to congratulate the Appropriations Committee for once more providing funds that ought to be adequate. I think the amount in the bill will be all that they will have to have for the full 15 months. I think they can do the job on that, and I think they ought to do it on that. But I do not want to foreclose the possibility that they might have to have more in a shorter period of time. The compromise which has been worked out provides the needed cushion by allowing TCA to use the amount in one and a half months' less time if that should become necessary. If a doctor has a patient with pneumonia, it is not good sense to say, "Well, I will give you 1,000,000 units of penicillin, but if you are not well then, I will not give you any more."

There is no use in giving any penicillin at all unless he is prepared to give whatever is necessary to produce recovery. I am convinced that if we are prepared to spend more, if needed, it will actually cost us less. If we try to hold it down to less than needed and hamper the program's operation accordingly, it is likely in the long run to cost us more—or else end in failure.

The fourth condition which I felt a year ago, when we adopted this program, it is necessary to fulfill if it is to succeed, is that we regard it not as an end,

but as a step in the process of working toward a perfected world organization, preferably by strengthening and improving the structure of the United Nations, so that it can take over this sort of job and protect free peoples from aggression whenever and wherever it develops. We have to do it in this immediate emergency because there is no other country in a position to help other countries resist Soviet pressure. The UN is not yet strong enough. But we cannot carry such a load indefinitely. We do not have the strength nor the resources nor the wisdom. Therefore, we must look upon this program as a temporary stop-gap, a stepping-stone, to that larger goal. We must push ahead vigorously toward a strengthened United Nations which will be able to assume the burden of resisting aggression from whatever source. We need a world organization which, under law and defined limitations, may step in to help nations in emergencies just as this representative Congress helps States in the event of domestic emergencies or communities which meet with some disaster.

A year ago the program was presented in terms of economic assistance. There were some who thought we must consider it in terms of military assistance also. I said here in March of last year:

Mr. Chairman, no one, I think, can rightly justify this bill on a basis of just humanitarianism or charity. The committee has heard me say on other occasions beginning in early 1947 that such measures as this could be justified in this present world situation and in the present straitened state of America's finances and supplies only if they are essential from the standpoint of the security of the Nation. This is primarily a national defense bill.

We had hoped it would be an alternative to a military policy. Six months ago it perhaps could have been. But world events and Communist aggression have advanced so rapidly that now it probably is more in support of a military policy than an alternative to one.

That brings me to the North Atlantic Pact. It is a mutual defense program in support of this economic program. It is based on the recognition that the European nations have gone about as far and as fast as they can without greater freedom from fear. As long as they know that the Russian bear can come across their borders at any time, and therefore fear that it may, they are not going to bring their savings and reserves of money or supplies out of hiding; they are not going to bring back the capital they have sent abroad and put it into productive enterprises; they are not going to enlarge their plants, make more jobs, expand their responsibilities. Unless they can see their way ahead 3, 5, even 10 years, with reasonable confidence, naturally they will be very wary and careful and will not utilize fully the resources which are available to them. Yet they must do all these things if Europe is to recover.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. GARY. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. JUDD. I thank the gentleman. Therefore, something like the Atlantic Pact is necessary to give them a sense

of security, a sense of certainty that if the bear should move against them after our own forces have been returned from Europe, they will not be left helpless against its aggression, just as they know now that an attack by the Soviet Union or anybody else on our garrison in Berlin or any of our other forces over there would bring prompt and positive action by the United States. Their only hope of achieving military security, just as their only hope of achieving economic recovery, is by making a most vigorous collective attack upon the problem—with our active support and assistance. The economic and defense programs are both necessary if either is to succeed. Eleven countries in the North Atlantic area have gone into the pact together with the United States. This is fine as far as it goes, but if we were to stop there, the effect might well be to draw a kind of circle around us 12 as having "a common heritage and civilization" and giving other countries the feeling that we regard them as less civilized, or less important and drive the rest of the world away from us while drawing the chosen few closer. We must not by default regarding the United Nations, or undue emphasis on the Atlantic Pact give the impression that we are setting up an exclusive club and that other peoples are not quite worthy to associate with us, so they are to be left on the outside. Who is the eager and powerful leader of those on the outside? The Soviet Union. Unless we move ahead from this limited compact to a larger open-end compact in which all nations which so desire can join in an attempt to get security for all through mutual protection and economic cooperation, those nations that are not included are likely to fall under the control and guidance of the Soviet Union. It is possible that unless things are most skillfully handled we may drive more into Russia's arms than we save from them and thus wind up with less security rather than more. So I feel even more strongly than a year ago that it is necessary to go beyond ERP and the Atlantic Pact if they are to have a 50-50 chance of success. We must exercise strong, positive leadership to the utmost of our ability in an urgent effort to get this whole program expanded to a larger concept of world organization, including the regional organizations, operating under law to maintain peace and prevent aggression.

That brings me to the last criterion that I believe we must meet if we are to succeed in Europe, namely, that Asia too, must be kept free, that is, out of Communist control. We endanger the security and economic recovery of Europe if we do not give more attention and more successful attention than we have given heretofore to events in the Far East and the forces struggling for dominance there. It does not do any good to patch up the hole in the front end of the boat unless we also manage to get plugged the hole in the rear end of the boat. A Communist flood pouring through either will sink us. I must postpone discussion of the vast and even more complicated problem of how to keep China and thereby Asia free until another

occasion. We cannot, however, ignore its crucial importance.

The CHAIRMAN. The time of the gentleman from Minnesota has again expired.

Mr. GARY. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, I want to pay tribute to the Chairman of my committee and to the other committee members. I enjoyed my work on the committee very much, a fact which is attributable in great measure to the people who sat on the committee. The gentleman from Virginia [Mr. GARY] the chairman, did an excellent job. He handled the hearings with great ability and intelligence, and made certain that every matter of consequence had thorough consideration.

It was a great pleasure to sit with the gentleman from New York, Judge McGrath, on the majority side. His long experience on the bench served us well in his patience, his analysis and his wisdom.

I enjoyed very much working with the gentleman on the minority side, the gentleman from New York [Mr. TABER] and the gentleman from Massachusetts [Mr. WIGGLESWORTH]. It was a real experience to watch them in action, to follow the thoroughness with which they work.

New Members of Congress frequently are subject to feelings of frustration. It takes time to acquire the somewhat hardened fatalistic attitude, which marks the experienced Member, and until one has been through the mill a number of times, he takes keenly what he considers to be a miscarriage of the legislative process.

I must confess to that feeling of frustration now when we are considering the ECA appropriations bill.

For nearly 4 weeks the subcommittee of the House Appropriations Committee held hearings on the Marshall plan. We studied, examined, and critically scrutinized every aspect of the European recovery program. We realized every expenditure of the Government must be carefully weighed and every nonessential expenditure eliminated.

We considered the effect of price reductions on the program and reduced the estimate by a figure which we believed represented an accurate estimate of the effect of lower prices on the cost of the program during the coming year. We investigated thoroughly ECA's estimates of commodities needed from dollar areas by the participating countries and the thoroughness of the screening methods employed by ECA in arriving at them. On the basis of this comprehensive review of the program, the subcommittee brought in a figure for the fiscal year of 1950 which was lower by \$272,700,000 than that authorized by the Bureau of the Budget. We felt that this was the absolute maximum amount by which the appropriation could be reduced without seriously delaying the recovery program and without a costly setback to the recovery which has already been achieved to date.

And yet, in spite of our thorough hearings, in spite of the hours, the days, the

weeks we put in, painstakingly listening to the many witnesses who appeared before us, checking the enormous amount of financial data submitted—all this effort is brushed aside in the name of economy. A blanket, across-the-board meat-axe cut of 15 percent is approved. Why appoint a subcommittee? Why hold hearings? Why go to the vast expense of recalling witnesses from all parts of the globe, when such arbitrary procedure is to become the action of this Congress? I am fully cognizant of the arguments advanced, that we are in a declining economy and that we must retrench.

I, too, am in favor of the economical operation of our governmental program, but I certainly am not in favor of retrenchment where it may very well do irreparable harm to our domestic economy and jeopardize our position in responsible world leadership.

Last month we heard the Foreign Affairs Committee describe on this floor the significant achievements by ECA in starting western Europe on the road back to economic recovery. Those speeches described the new investments, the building of new plants, the expansion and modernization of old plants, the mechanization of farms, the housing programs and many other projects of economic activity and expansion which have been instituted during the past 12 months under the stimulus of the European recovery program. Perhaps the members of the Foreign Affairs Committee spoke too eloquently or perhaps they overemphasized the first year's achievements and did not sufficiently explain to the House the relationship of the achievements already made to the ultimate objectives of the recovery program. For this cut would do much to gut the program before European recovery is achieved.

The coming year is the most crucial year in the entire effort. We undertook this program originally, not entirely out of altruism, but because we realized that the presence of a healthy economy in Europe was absolutely indispensable to the continuation of a healthy economy in the United States—that if world recession of trade with its resultant political repercussions was to be avoided, the people of the United States must reestablish the basis for a sound, normal trade between Europe and the Western Hemisphere. I submit that this program was not designed primarily for the benefit of the Europeans, but was designed as much to advance the self-interest of the people of the United States. And when we cut into this program so seriously as to threaten its ultimate success, we are tampering with the economic and military security of the people of the United States.

Mr. Chairman, it is true that during the past year by virtue of the tremendous assistance rendered by the United States some production levels in western Europe have come up to and even exceeded production levels of 1938. Yet the living standards of the peoples of most of the participating countries still lag far below the prewar living standards. Some of the countries most seriously devastated by the war still find themselves on little

more than a subsistence level. In several of the more fortunate parts of Europe which were relatively untouched by the war, the living standards are closer to those of prewar. However, any talk of prewar production levels is entirely misleading. The increased population in Europe during the past 10 years, the devastation wrought in factories and homes and the consequent need of replacements, the widespread obsolescence of plants, tools, equipment and machinery which has accumulated during and since the war, and the loss of important overseas earnings makes necessary that the production levels of Europe must far exceed those of 1938 before it can be accurately said that economic recovery has been achieved.

I had assumed that there would be no need to discuss the merits of the ECA program. I had assumed that this Congress had already approved that program by its passage of the authorization bill. However, this curtailment in the funds is necessary to give realistic implementation to the operation of the program makes me wonder whether we are not in fact reversing that approval.

Our conception of economic recovery must envision a western Europe which is able to stand on its own feet, capable of producing and importing the commodities necessary to maintain itself. It is essential for these countries to be able to import the commodities produced in the United States which they need to maintain their economies and to be able to pay for those imports with dollars which they earn by selling goods and services to the Western Hemisphere. We intend to reestablish in western Europe a normal market for American commodities, a market which but for Marshall plan dollars would be almost entirely extinguished today because of the lack of dollars in Europe and the inability of the ERP countries to earn dollars which they can spend in the United States. Members of this House are receiving letters from constituents asking why they are unable to export to Europe goods which they normally exported before the war. Many of these producers and exporters ask why they cannot receive export subsidies from ECA to enable them to ship their exportable surpluses abroad. The plain fact is that there are not enough dollars available. Only if ECA dollars are efficiently used to promote recovery in Europe as quickly as possible can these normal export markets for United States producers be reestablished.

Early in this session we passed a program to promote reciprocal trade. With whom is it proposed that we shall trade? The products of this country must be paid for in dollars. Our people will not take pounds, or franks, or marks, or lire, or guilders. They want to be paid in dollars and will continue to demand payment in dollars until confidence is restored in the validity of foreign currencies. That is the aim of ECA—to put the European nations in a position so that ultimately they can trade with us—that they can earn enough dollars so that they may buy our products.

Now, what are we doing? Just as we are getting a recovery momentum

started, getting new plants and factories under way, getting a flow of new machinery into the pipeline to Europe, rebuilding the confidence of European business men and workers in their economic and political systems so that this great recovery effort could go forward, some economy-minded Members of this body decide to slash this program to the bone. There is a point beyond which this aid is of no use. It is the old story of too little, too late, throwing a 10-foot rope to the man 15 feet offshore. If we do not believe in this program, let us kill it entirely and do it quickly. Let us not strangle it slowly because that is more painful and will be much more expensive to all of us.

A substantial portion of this reduction will come out of the standard of living of the peoples of the participating countries. The peoples of Europe, who are genuinely seeking to build their productive facilities will tighten their belts; they will economize first on consumer items such as cereals, tobacco, fats and oils, and cotton for clothing before they will sacrifice recovery items such as machinery and tools and raw materials. This means that we will be pushing the living standard down after we have worked hard to raise it. This means that we are willing to risk destroying the increase in morale on the part of the people of western Europe which we have been carefully building over the past year.

I often hear the statement that the United States is facing a period of mounting surpluses. Yet we are at one stroke cutting into an appropriation which in the short run would help move American commodities to Europe and in the long run is designed to rebuild our permanent export markets. It seems to me that this is an illogical and unrealistic kind of economy.

About 5 weeks ago we voted almost \$16,000,000,000 for a military budget. Where was the economy drive then? And yet, in this program, which to my mind is even more important to our national security, because it builds democracy, which is essential to our position in a friendly world, we retrench.

Let me read you a portion of the speech made by one of our truly great statesmen, Sumner Welles, which he delivered before the Rochester Institute of International Affairs on December 11, 1948:

The overshadowing issue is whether an American foreign policy, which is formulated primarily from the military and strategic viewpoint, which regards force or the threat of force as its sole effective instruments, which envisages little more than the need to check Russia, can prevail in a contest with a force which is so eminently dynamic as the force of Soviet communism, backed as it is by the manpower and the resources of the vast Russian Empire. We have every reason to fear that even though actual war may be averted, the United States will be engaged in a losing fight, unless American foreign policy becomes the instrument of a democracy which is quite as dynamic as communism, unless that policy offers the peoples of the earth the positive assurance that the United States seeks collective security rather than national aggrandizement.

We have successfully won the peoples of Europe because we have given them the opportunity for security, peace of mind, and hope for the future. We have helped remove the threat of hunger, unemployment, and mass starvation, and in so doing have eliminated the master propaganda weapon. We have so revitalized the will of these peoples to maintain democratic governments that a series of political and diplomatic defeats have been administered to the Russians in the cold war.

A few days ago the Secretary of State left for Paris. When he left, the United States was in the most advantageous political position with Russia that we have been in since the end of the war. That was true then, but I seriously doubt if it is true today. I suspect that our action has done more to embarrass the Secretary of State, to unsettle the minds of our European allies, and to encourage the Russians than any single incident of the past months. A week ago the nations of western Europe felt that their hopes for economic recovery were secure and certain. Today they cannot have that same feeling with any certainty. A week ago they felt their economic and military alliance with the United States was a bulwark upon which their positions in Europe rested. Today they must be seriously shaken.

It seems to me that those who have blindly gone overboard in the name of economy have forgotten that we still have commitments to the people of this Nation and of the world in which we live. While some reappraisal may be necessary with time and change, we cannot renege on our obligation to those who depend upon us.

Economy must be tempered by reality. Of much greater significance than the dollars involved in this bill is principle—the principle that American policy cannot succeed until it convinces the people of the world that America is dependable.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 7 minutes to the gentleman from Ohio [Mr. VORYS].

THE ECA GUARANTY PROVISION

Mr. VORYS. Mr. Chairman, I want to congratulate the committee on the statesmanlike job they have done in reducing the original estimate and the budget estimate to a size that bids fair to fit our budget, and on the amendment, which is apparently agreed to, which provides enough flexibility so that this program can proceed. I hope this second year will show the amazing success that has resulted in the first year under the splendid administration of Paul Hoffman and his associates.

I want to talk about a little item of \$150,000,000 which apparently was not considered very much by the Committee on Appropriations and is not being considered very much by ECA. It has to do with the guaranty provision in the ECA law. We provided a guaranty last year but it turned out not to be very useful because it merely provided for converting the principal amount of any investment back into dollars provided the amount is earned or paid in foreign cur-

rency. This year in the bill which you passed we broadened that guaranty so that anyone who makes an investment which is approved for guaranty can convert from foreign currencies into dollars not only what he paid in the original investment but any earnings or income produced in the foreign currency. The amount earmarked for guaranties is \$150,000,000. It does not amount quite to that because they have already used \$4,239,014 from it, but still over \$145,000,000 is available as guaranties, particularly for capital equipment.

In the tables furnished in the hearings is an item of \$816,500,000 for "Capital equipment," with no further explanation or break-down in the tables that I have been able to find with the assistance of the members of the Committee on Appropriations and their staff; \$816,000,000 is a lot of money. That is a lot of capital equipment, but capital equipment is not like wheat or coal or something like that, that when you say it once you have described all of it. There are all kinds of capital equipment involved but not described. I find no reduction made in the estimated prices of all this capital equipment. What I hope to find out is that some of these cuts in appropriations have been made up by using this guaranty which is provided in the basic law. I say this for one, that if along next spring we are told that all of this appropriation has to be spent by May 15, and I find that none of this capital equipment is being furnished through guaranties, then I am going to be most reluctant to appropriate more give-away or grant money, when I find that the pay-back money, the guaranty money, is not being used.

It is my hope that these appropriations will be tight enough, a close enough fit, that ECA and the people in these countries will seek out this method of obtaining \$145,000,000 more of capital equipment from this country.

When the authorization bill came to Congress it provided for \$150,000,000 of contract authorizations to go beyond fiscal 1950. We struck that out in our committee but we put into the guaranty language a provision that "includes the furnishing of capital goods items and related services for use in connection with projects approved by the Administrator, pursuant to a contract providing for payment in whole or in part after June 30, 1950. So that the forward contracting authority that ECA asked for is in the law, but it does not require the appropriation of dollars.

If the guaranty is used, and we have to pay because foreign currencies cannot be converted, we get back, instead of merely a veto on counterpart funds that some other country holds, payment in full in the currency of another country. It is my hope that private enterprise in this country, the ECA administration, and these other countries, will use this method of getting \$145,000,000 worth of capital equipment over there plowed into the recovery and development of Europe. If they do not, and then come around and say that they need more money next spring, somebody is going to ask them

questions, and somebody's face is going to be red. I find nothing in the hearings of the Committee on Appropriations about the guaranty. Of course, it does not require any appropriation, but it is strange to me that the ECA did not call the attention of the Committee on Appropriations to the fact that here was \$145,000,000 available for the purposes of European recovery. I hope the Members of Congress will study this matter because that may be the only way recovery is going to work in the long run. In 1952, when the program of grant money stops, it may be necessary to provide, through guaranties, or loans, some sort of credit facilities so as to bridge the gap while there is still a temporary dollar shortage. In the future, under the President's point 4, we are going to have to provide some method similar to this guaranty so that when we furnish goods abroad but get paid back for those goods. We had better start pioneering this year. I want to see examples of how the ECA guaranty worked, instead of excuses as to why it was not used.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman, this bill calls for the expenditure of \$5,542,470,000. There are about 30 or 40 Members here on the floor right now considering this very important bill. If you give \$1,000,000,000 away it costs every man, woman, and child in America \$7. Here you are giving \$5,500,000,000 away, which means \$38.50 for every man, woman, and child in America. If every Member of Congress went back to his district and told every man, woman, and child he met that their assessment for this relief under ECA this year was going to be \$38.50, I wonder, if you tried to take up a collection, and you passed the hat around, how many people in your district do you think would put \$38.50 in the hat? You would find that there would be mighty few. But, what is happening? You are the elected representatives. With all the propaganda going around to try to get you to vote to give these billions and billions of dollars away, you say to your taxpayers you have to pay the bill. You are talking about more taxes to run this Government. I tell you right now that I do not want my taxpayers to come down here to me and say, "You Members voted these taxes and you are strapping me to death. I do not want these taxes on everything that I have to buy." Nevertheless, the Members of Congress are voting for these great expenditures, and evidently they want things to be this way. People are hollering for less taxes. Give them less spending if you do not give them less taxes.

Mr. Chairman, what are we doing with this money? Is it being spent wisely, economically, and soundly? I say "No." I am going to show you a few things that are being done under ECA which I think are just downright ridiculous—just downright ridiculous. Let us see here—you are bringing 23 men from Korea, 23 men to travel all over the United States for 9 weeks to tell the people in

the cities how much they appreciate what Uncle Sam is doing for them through ECA. That is going to cost you a couple of thousand dollars apiece, or even \$3,000 apiece to bring each one of those fellows over here to go around telling Uncle Sam what good people we are. You pay the bill. You are going to spend a hundred thousand dollars to do that. Why do you not get them to write a letter here and tell us that they appreciate the money we are giving them, so that we can put those letters in the newspapers—or bring the letters down here and I will put them in the CONGRESSIONAL RECORD. That would cost little. That ought to be just as good. But no, you want to tax my people \$100,000 to bring that crowd over here and have them have a good time running around telling how Uncle Sam is treating them so nice. You are not only doing that for the people of Korea, but you have a lot of these missions. Let us look at a few of them. You have a group of six Norwegian technicians to visit the United States to study American methods of mining, paper making, and steel making.

That makes nine groups coming here under the Marshall plan to travel all over the United States to learn something about what we are doing. We could teach them by giving them something to work at, by letting them do something to help themselves, by telling them and showing them how we do things. We could assist them in many ways without having to have them come over here at our expense.

You have sent seven missions of union members from the United States to deal with trade-unions in European countries to try to tell them how to run their unions. Good Moses and Aaron! What is the matter with you? Do you not think they know that much?

You have brought over a lot of foundry workers from the United Kingdom under ECA funds to teach them foundry methods. Why not send one teacher and some books over there?

You are sending ECA missions to Belgium and other countries to work out their labor problems.

I do not believe in all that. I think it is money ill spent. You have in here \$1,800,000 for the Italian counterpart fund.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman from Pennsylvania five additional minutes.

Mr. RICH. Italy was one of the countries who started to fight France before we got into the war—our enemies at that time—they went over there and raised Ned, yet now we are going to help the Italians rebuild their villages, their roads, and their aqueducts, and we are spending \$21,600,000 in Italy for those purposes. It is nice that you can do it, but gracious goodness, your taxpayers cannot afford it, and you have not given your own people a thought on things they want. Remember, the countries you are helping do not have a total indebtedness of \$90,000,000,000, but in

America we have a debt of \$250,000,000,000. Some day, when our country goes broke and these other countries are around doing business, do you think they are going to do anything to help America? Why, you are called Uncle Shylock over there now. [Applause in the gallery.]

I am glad you girls came. I have got more friends, Mr. Chairman, in the gallery than I have downstairs here, and I have got more friends back home than I have got down here. Lord bless you. I love every one of you. Some of you I try to take out and beat on the golf course. But to get back to the bill, I tell you right here and now that you have got to get serious about this thing of squandering. This just cannot go on. We should realize our domestic situation. When you stop to think of all the money that is being spent for propaganda in the United States to get us to spend money to help somebody else, it just does not make sense; and I say that the Congress of the United States is the easiest bunch of fellows I ever saw roped in in all my life.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to my colleague from Iowa.

Mr. GROSS. On page 3 there is a provision which states that an amount not to exceed \$500,000 shall be available for expenditures of a confidential character other than entertainment, which we ask no accounting for. What is that for?

Mr. RICH. I do not know, and I do not believe there is a Member present who knows what it is for, and yet we are going to include it in this bill.

Mr. GROSS. Does the gentleman realize that there is also an item of \$30,000 for entertainment in this bill?

Mr. RICH. \$30,000! I am willing to bet that is not the tenth of it.

Mr. GROSS. That is what it states here.

Mr. RICH. I do not mean to say that the gentleman from Iowa does not know what he is talking about, for the gentleman certainly does. He is a good sound legislator.

Mr. Chairman, I hope we get a roll call on this bill and that we will get 220 Members at least to vote against it; then we will send it back to the committee, and we ought to send it back to the Committee on Appropriations. You know that committee is not looking after Uncle Sam, they are not interested in our domestic affairs, the whole committee. I do not like the committee—I like the individuals personally—because they are giving us away, and I do not like the foreign affairs plan or program one bit; it just does not suit me at all.

Mr. GROSS. Mr. Chairman, will the gentleman yield further?

Mr. RICH. I yield.

Mr. GROSS. Does the gentleman think we should spend \$30,000 to give away the taxpayers' money, to pour it down assorted drains in foreign countries?

Mr. RICH. No; I do not think so. This makes \$92,000,000,000 that the

American people have given away. A lot of men come in here and say that we are giving all this away to keep from having another war. You never kept out of war by talking about war all the time. Whenever a man wants to get into a fight he can get into a fight without any trouble. If I wanted to get into a fight I could do so without any trouble at all, and if I saw a man walking down the street with a chip on his shoulder I would probably knock the chip off his shoulder to see what the fellow would do. That's the way you get in trouble. We are spending \$15,000,000,000 a year here for defense. We talk about some of these nations of the earth, getting in war, we give Russia \$12,500,000,000 in lend-lease; they get all that equipment over there, and what happens to it? We find ourselves having to spend \$15,000,000,000 a year to try to keep prepared to combat the \$12,000,000,000 that we sent over there. That is serious; that is serious.

My time is about up, but, remember, when it comes to voting, if 219 or 220 Members vote against this bill we will be doing the whole country a great service. Now and future generations.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. GARY. Mr. Chairman, I yield the balance of the time on this side to the gentleman from Michigan [Mr. SADOWSKI].

Mr. TABER. Mr. Chairman, I yield the gentleman 4 minutes.

(Mr. SADOWSKI asked and was given permission to revise and extend his remarks and include certain excerpts and tables.)

THE MARSHALL PLAN, TAXATION, AND WORLD TRADE

Mr. SADOWSKI. Mr. Chairman, the issue in the next campaign will be taxation. There is no way to dodge the issue. Our friend and colleague from Pennsylvania, ROBERT RICH, is absolutely right, and those who ignore the warning—and I do not care whether they are Democrats or Republicans—will have a tough time in the next election. You cannot go to the people of the United States with a \$45,000,000,000 budget and a \$45,000,000,000 tax bill, if you please, when the income of the American taxpayer will be back on the basis only slightly above that of prewar. During the war, when people's pockets were bulging with money made out of war profits and war wages, it was possible to meet this inflated tax bill. Now the simple truth is we just cannot meet it any longer. We must cut the budget at least seven to eight billion dollars. This can be done. It must be done. A 5-percent cut in appropriations right across the board, as has been proposed by some Members of the House and Senate, is a lot of silly nonsense. There are only two places where real cuts can be made, and that is on the appropriations for all foreign-aid programs and on the \$16,000,000,000 military authorization.

When I heard that the Appropriations Committee had cut this ECA appropriation by 15 percent, I was considerably pleased. Then this morning I learned

that a compromise had been reached whereby this money will be spent in 13½ months instead of 15 months, which action actually nullifies the 15-percent cut and the reported savings that were to be made.

Now, Mr. Chairman, we have received plenty of warning from the best economists in this Nation, and the Department of Commerce reports and the reports from the Labor Department definitely prove that we must cut our tax bill by \$7,000,000,000 because the revenues will not be forthcoming. If you do not meet the issue now, you will have to face up with it in July 1950, next year, just before the elections.

Now, during the war we saddled our people with a lot of extra taxes, special taxes, on rail, bus and air transportation. We also placed taxes against luggage, furs, ladies' handbags, jewelry, cosmetics, and so forth. We promised the business people and the American consumers that these special taxes would be removed as soon as the war was over. This promise should be kept and can be kept. It must be kept because these special taxes against certain commodities and against certain people in business is unfair, discriminatory, and is tending to drive these people into bankruptcy. The consumers are withholding from buying these taxed items because they expect these taxes to be removed. Now, I say we can remove them and still cut the budget by \$7,000,000,000 by making substantial cuts in free foreign aid programs and in the authorization for the military. It is imperative that at this time we abandon this policy of being Santa Claus to half the nations of the world and to the few American manipulators and financiers who have pushed this foreign-aid program for their own profits at the expense of the American taxpayers. We must immediately take steps to develop international world trade with all the nations of the world on a strictly business basis. According to all of the reports there is no question about it but that the Marshall-plan countries have had their economies restored to a prewar basis, that is what we were asked to do originally, and that has now been accomplished.

Mr. Chairman, while we have been giving many billions of dollars to aid business in Europe and Asia our own business is going to pot. We are sliding down hill fast. All reports show lower volume, lower profits, lower employment. Consumer spending is shrinking and inventories are piling up. People are afraid of losing their jobs, and employers are worried over sales, costs, inventories, and taxes. Thousands of small manufacturing plants are operating on a curtailed production basis and are begging for orders. The unemployment rolls have been increasing by leaps and bounds. Let me say to my colleagues from the South that the cotton warehouses are bulging with cotton and that the cotton mills are suffering from flooded markets. Under the Marshall plan we have permitted England to become our cotton broker, and those nations not under the Marshall plan have had to pay through the nose to

obtain American cotton. In many instances they have paid 30 percent above the normal American market price. These exorbitant prices on American cotton have not accrued to the benefit of the American planter or the American cotton dealer. These profits have gone to England and to a couple of favored nations under the Marshall plan. The result has been that the eastern European countries starved out of the American cotton markets have looked for other sources of supply. They are now getting cotton from Egypt, India, parts of Asia and South America. I am afraid that our cotton markets in half of the world may be lost to us forever as a result of the disastrous policy we have followed.

Now, according to Business Week, the report on cotton shows that last month, April 1949, the American cotton mills used only 579,031 bales. This is the first time since 1940 that American cotton mills requirements fell below 600,000 bales per month. So, we have permitted the world to be divided up into two spheres of trade and commerce. One sphere dominated by Russia, the other dominated by England, and we, the United States, are the scapegoat. We have come out with nothing. Russia has made her bilateral trade agreements with all the countries of Europe and the world, including England. England has made her bilateral agreements with all the countries of Europe and the world, including Russia; but the United States is out in the cold in both of these spheres, and I am afraid that in another year or two we will be walking around with our hat in our hands begging for a little world trade and commerce. I say this because, and you will agree with me if you take the time out to study the situation and look at the reports on Germany and Japan, you will find that their industrial potential has been practically completely restored, and these two countries who were our greatest rivals for world trade before the war are back in the world market, and with much cheaper labor than ours, and with improved production methods adopted from us and installed by the big-hearted Americans, they will give such competition that we will have the time of our lives trying to reenter the world markets. Russia, China, and the countries of eastern Europe will no longer have to look to the United States and beg us for trade.

Now, Mr. Chairman, time is of the essence; I say that because we must expand our foreign trade now. We must do business with all the countries of the world. Only in this way can we stimulate a healthy condition at home and reduce our national debt and the tax burden upon our people. Our national debt is now \$252,000,000,000. We owe twice as much as all the Marshall plan countries put together, and the tax burden of the American taxpayer is four times as great as it was before the war; and at this point, let me say that when our tax burden was only one-fourth as great as it is today, that is during the days of the Roosevelt New Deal, we were still able to build roads, viaducts, TVA

plants, flood- and drought-control projects, schools, hospitals, develop our forestry. We had money for building airports, slum-clearance projects, and we could assist generously the various States and cities throughout the country and give assistance to building up the wealth and natural resources of our Nation. Today, when the tax burden is four times as great upon the people of our country, we are told we have no money for old-age pensions, aid to education, for a public-health program, the St. Lawrence waterway, the Tennessee-Tombigbee inland waterway, and for the many other needed projects, and now we are telling our States and cities to cope with their own problems because we cannot afford to assist them. Yes, we will have a \$45,000,000,000 budget if we carry on with our present policy, a policy which takes \$25,000,000,000 out of this budget for foreign aid and military appropriations, and goes to fatten up the munition makers and the international profiteers. Of course, we are told that we will have a \$13,000,000,000 export-trade program for this year; but let us take a look at this \$13,000,000,000 export-trade program. Where is it going and who is paying for it? This program is based on spending for ECA, Greek-Turkish aid, military lend-lease, the Atlantic Pact, Philippine rehabilitation, and so forth. Figure it out for yourself—eight billion of this thirteen billion will come out of the pockets of the American taxpayers. We will have only about \$5,000,000,000 of real trade—trade that is based on a business basis—the other \$8,000,000,000 represents a trade that is a drain upon the American taxpayer. It is not trade at all, it is plain thievery.

Mr. Chairman, I say let us get back to business and cut out this international panhandling and military domination over our affairs. President Roosevelt had laid down a postwar program for peace and prosperity. The foundation for this is the United Nations, and two of the cornerstones of this program are the ITO, that is the International Trade Organization, and the World Bank. Roosevelt had told the Congress and the whole world, including Mr. Churchill, right after the second UNRRA appropriation, that there would be no more free dollars available, that the American economy could no longer stand the strain. Mr. Roosevelt had proposed the International Trade Organization and the World Bank as a means of financing world trade for the postwar period. The ITO was to provide multilateral agreements so as to give to all the nations an equal opportunity to trade in all the markets of the world for raw materials, supplies, and machinery. The bank was to finance this world trade. We have 38 percent of the stock in this bank; the bank was to issue bonds paying 2½ percent interest, and the bank was to charge 4½ percent interest for the loans that it made. This was sound business policy. We were assured of the return of our money; yes, not only the return of it, but 2½ percent interest upon the bonds that we bought. Now, would any Member of

Congress oppose the purchase of ten or fifteen billion dollars worth of these interest-bearing bonds? I do not think so. Yes, the recovery of the world would have been assured, and there would be no necessity for bilateral trade agreements which are aimed at destroying the trade of the United States of America and putting us out of the world markets. Yes, by doing business through the World Bank we were assured the return of our money or the defaulting nations would lose faith and credit in the whole family of nations. Well, now of course, this program did not suit Mr. Churchill, who was looking for more free handouts for England. This proposal did not suit those Americans who had a billion dollar prewar investment in Germany and were seeking free United States Treasury dollars to triple or quadruple this kitty. Of course, this program did not suit the international cartellists, monopolists, and the big international banking houses, who worked hand in hand with the international cartellists—but then Franklin D. Roosevelt died. So Mr. Churchill came to Fulton, Mo., made his famous speech that left America shaking and quivering with fear. The special Colmer Committee went to Moscow and all over Congress the cry was raised to stop trade with half the nations of the world. The hysteria grew and mounted, and the free American dollars started to roll out again. Mr. Churchill won, England got her money, the German barons and the Japanese Zaibatsu will be handed back their war plants and industries, nicely restored with the latest American equipment and machinery, and the latest American production methods.

Look at the Life magazine of week before last, see the beautiful German Volkswagen automobiles rolling out of this plant that had not produced one automobile under Hitler.

Mr. Chairman, we have been generous to the extreme. Our generosity has been exploited. By striking fear in our hearts and telling us that the doling out of free American dollars was the only way to stop a foreign ideology, we have been duped out of more billions. I want to say here and now that if the people of America are not properly fed, clothed, and housed, that if we neglect our internal economy, that if we neglect our schools and hospitals, that if we neglect the aged, the sick and incapacitated, that if our internal economy becomes weak and bankrupt, then, and only then, will communism or socialism prevail and become superior to the American philosophy of free enterprise. Yes, Mr. Chairman, we have been generous with the countries of the world.

At this point I wish to include a table showing the extent of this generosity. These totals, of course, do not include the vast sums supplied by voluntary assistance drives in the United States, such as CARE, Red Cross, International Charities, emergency assistance campaigns for reconstruction and rehabilitation in particular countries, nor does it include the millions of free gift packages that have been sent overseas by our American citizens at their own expense.

Total distribution of United States loans, grants, and aids overseas, including unpaid balances on World War I loans (includes all Marshall plan estimates for fiscal 1950, but does not include any funds for rearmament under North Atlantic Pact)

1. Austria.....	\$885,118,000
2. Armenia.....	39,942,000
3. Belgium and Luxemburg.....	1,744,000,000
4. British Empire.....	44,679,000,000
5. China.....	3,446,000,000
6. Czechoslovakia.....	17,348,000
7. Denmark.....	234,792,000
8. Egypt.....	59,700,000
9. Estonia.....	25,903,079
10. Ethiopia.....	16,447,000
11. France and possessions.....	3,371,000,000
12. Finland.....	24,600,056
13. Germany (Bizonia).....	3,260,000,000
14. Greece.....	681,000,000
15. Hungary.....	64,000,000
16. Iceland.....	20,900,000
17. Israel.....	63,009,000
18. Italy.....	4,700,000,000
19. Iran.....	23,100,000
20. Iraq.....	7,805,000
21. Ireland.....	142,703,000
22. Japan.....	1,891,000,000
23. Korea.....	89,469,000
24. Latvia.....	10,713,000
25. Liberia.....	14,829,000
26. Lithuania.....	9,603,059
27. Netherlands and possessions.....	979,000,000
28. Norway.....	345,000,000
29. Philippine Islands.....	708,000,000
30. Poland.....	373,600,000
31. Portugal.....	11,647,000
32. Rumania.....	79,435,000
33. Russia.....	12,793,400,000
34. Saudi Arabia.....	46,200,000
35. Sweden.....	104,100,000
36. Trieste.....	35,200,000
37. Turkey.....	305,400,000
38. Yugoslavia.....	117,200,000
39. American Republics (13).....	1,651,392,000

The United States News and World Report of May 13, 1949, devotes some space to an examination of the trends of American business. Among other things it says:

Report goods output is back almost to the conversion low point of 1945. Cotton consumption is around the low set in 1947. Wool consumption is off. Output in most industries is either back or seen headed back to levels of 1946 when the boom began. Outlook is for a further dip. Machinery output over-all is at the lowest point since 1946. Machine tool output is down around 50 percent of current capacity.

Confronted with an unbearable tax burden, and with all business reports pointing to a depression—and I don't like to use that term—I believe that it is urgent and pressing that we reexamine our foreign-trade policy, which excludes from our markets two-thirds of the world's trade. We must reexamine our export-import licensing program.

Our policy has gone to such unreasonable extremes that the Post Office Department received an order prohibiting the shipment of more than \$5 worth of streptomycin in free gift parcel post packages bound for tuberculosis victims in Allied countries. This was done in spite of the well-known fact that it takes \$100 worth of streptomycin to cure or to arrest a case of tuberculosis. This policy has gone to such crazy extremes that it has become inhuman.

China, Asia, and the countries of eastern Europe comprise an enormous

market for the manufactured products of our country. Closing our doors on these customers is not only poor business, but contributes to the increased tension between the nations of the world. American industry was told that the Marshall plan would aid in the exporting of their products, but despite the promises of the Marshall planners our exports have been dropping. In 1947, before the Marshall plan, we did \$15,000,000,000 worth of export business. In 1948, under the Marshall plan, it dropped to \$12,500,000,000.

If we continue under this program there can only be an aggravation in the downturn of business.

The New York Times on March 24, 1949, voiced the opinion of the convention of the Export Managers' Club in New York. It stated that there is a growing awareness by men in the export field that, even with the Marshall plan, by 1952 European "imports from the United States may be cut as much as 40 percent, while competitive and revitalized European production may capture as much as half the United States markets in Latin America."

Then there are those who proclaim that the enormous expenditures for the military will provide the additional employment and take up the slack in our economic system. Well, of course, these billions are only a drain upon the taxpayers, and they do not create any social values, and do not create any capital investments in constructive business that would add to the wealth and progress of our Nation.

I think we are delinquent in our duties if we fail to look upon these developments with anything less than alarm. I believe it was a great mistake that simultaneously with the launching of the Churchillian Marshall Plan, we also introduced discriminatory trade measures against the eastern European nations which refused to participate in it. In effect, our licensing program constitutes a unilateral embargo upon these nations. We are even guilty of violating trade agreements which were signed before licensing was introduced, and which I believe are still binding documents.

I have repeatedly stated my opposition of our approach to the German problem. We have gone at breakneck speed in rebuilding Germany's potential in the world markets. After the First World War it took Germany 12 years to restore her pre-war potential. After the Second World War with the billions of dollars that we have dumped there, together with the billions of dollars of military supplies—yes, whole Army depots, that were left in Germany and no accounting has ever been given to the American taxpayers, Germany was restored in 4 years. Our whole policy affecting Germany is a repetition of the one followed immediately after the First World War. The only difference is that we have done it much faster and more efficiently.

The American taxpayer has spent \$41,000,000,000 to defeat Germany. We have spent a total of \$200,000,000,000 to win World War II. And now we are putting in billions every year to resurrect the huge industries of Germany and Japan to be our powerful contenders for world

trade. By our policy of restricted export licensing we are giving to Germany another chance to dominate Europe economically, and thereby, politically. The same is being done for Japan in Asia. The nations devastated by the Reich are now confronted by that threat again. There is not even any effort being made any longer to conceal the fact that the Potsdam provisions limiting those industries which constitute a threat to peace are being openly ignored. All the recent reports on Germany emphasize the fact that the decartelization program has been a farce and that denazification has been but a multiple-syllable word.

Is it not peculiar that the most ardent supporters of the policy of embargoes on trade with eastern European countries, countries by the way that never waged war against our country; yes, those people who insist that such a restrictive trade policy is imperative, are simultaneously the most enthusiastic supporters of rebuilding the might of Germany, twice the enemy of our country? It seems to me that this touching concern for the recovery of an enemy who is responsible for the deaths of a quarter of a million American lives and millions of European, and cost us over \$200,000,000,000, does not jibe with the pledges that we made to our allies to rebuild them first.

Yes, we are rebuilding the country that brought our allies to the brink of complete disaster, and all under the specious and false excuse of rebuilding the European economy, and still worse, by our embargo on trade with the eastern European nations we are penalizing them for their sacrifices and rewarding Germany for its crimes.

So today we are pursuing the short-sighted policy of trying to hamper and limit the economic recovery of our eastern European allies, and in so doing we have also hampered the recovery of western Europe at a huge and unnecessary cost to the American taxpayer. It is this artificial division of European economy which for centuries has constituted a whole, that has made it necessary for us to throw in billions of taxpayers' dollars. This is the division that Churchill created. This division has placed Europe on the American dole. There can be no talk about peace and complete world recovery so long as trade barriers exist between our country and eastern Europe, and in turn, between western Europe and the east.

The continuation of such a policy can only mean that the American taxpayer and American industry and American labor is the loser. For instance, what does the embargo on goods to the Soviet Union mean in concrete terms today? The Wall Street Journal of April 15, 1949, points out that the Soviets are shifting their buying to other markets. It writes that the Soviets are getting machines and industrial equipment from the United Kingdom, Sweden, Denmark, Belgium, Switzerland, and Norway, while she continues to ship manganese, chrome, and vital strategic materials to the United States, but is forced to use the dollars thus obtained to buy what she needs in other markets. It is needless to call attention to the fact that with the exception of Switzerland, all the na-

tions referred to are participants in the Marshall plan. Now, translated into cold facts, this simply means that our policy adds to paralyzing our industries, and of course also adds to the rise of unemployment in the United States. The same applies to Poland, which has established trade relations with 42 states and because of our restricted trade policies, Poland has extensively increased her volume of purchases from the Scandinavian countries, and this trade is particularly strong in goods like machinery, which industry in our country is suffering a marked downward trend in production.

Yes, while we have clamped down on the export of goods and machinery to Poland, Great Britain has recently entered into a bilateral agreement, a 5-year trade pact, for a billion dollars' worth of trade with Poland. Included in this agreement are such export items as copper, capital equipment, tires, dye stuffs, crude oil, and rubber. I find that the other eastern European countries have all entered into these bilateral agreements and to a lesser or greater degree are arranging for new trade outlets that leaves the United States out in the cold. The greatest danger in our policy of restricted export and import trade, and our licensing program, lies in the fact that when the dependency of these nations on American products has once been eliminated by forcing them to obtain these same products in other markets, we may emerge out of this situation without any customers in eastern Europe, and possibly in China and Asia.

I wish to bring this situation forcibly to the attention of the House. Do you know that so far this year our exports to the Soviet Union and the eastern European countries are running at what will be an annual rate of only \$70,000,000? Stop and think what effect this policy will have on our domestic economy. This export trade represents the smallest fractional part of the business that could be obtained if our foreign trade were placed on a sound economic basis. This is a policy of deliberate bankruptcy for our business.

Who is it that has the right to sell out our world trade and commerce to England, Germany, and Japan?

I find that machine tools, precision equipment, trucks, excavators, electrical equipment, locomotives, and oil-drilling equipment still are on the frozen or forbidden list of exports to eastern European countries. These are the materials that eastern Europe needs most. Continuing the American embargo may be a deterrent to more rapid recovery for these countries, but certainly it can be no block to their recovery. They will obtain these materials elsewhere. An examination of the recovery rate of these European countries fails to bear out the hopes of the proponents of this theory. Our policy of embargo and restricted trade toward these countries is forcing them to be independent of us and not to rely on our productive industry, and all this augers ill for our future trade relations unless we revise our policy immediately. Everyone who has visited these eastern European countries is amazed at the rapid recovery and is astounded to learn that they were able

to accomplish this by their own hard labor without free Marshall-plan dollars. Now, it should be self-evident that while these countries are expanding economically and at an unprecedented rate there exists in these countries a tremendous potential market for United States products—a market that will pay for our goods on a business basis and not with taxpayers' dollars out of the United States Treasury. Those who are bleeding us with Marshall-plan dollars will say, "Oh, you can't approve of the particular forms of governments that exist at the moment," and, at the same time, these Marshall-plan panhandlers are grabbing the eastern European business for themselves.

I am a member of the House Committee on Interstate and Foreign Commerce. In our committee we have held extensive hearings bearing on our Nation's trade and commerce. I cannot sit idly by and not utter words of protest against a trade policy that will be disastrous to our Nation for years to come. In my investigation I find that the eastern European countries have embarked on an ambitious program of industrialization. They have launched a program for the expansion of their transportation facilities which were so limited before the war. Our plants could be busy for years producing the equipment that is necessary to meet the demands in the field of transportation alone. So also the program of electrification in these countries creates an insatiable market for our electrical products for many years to come. Their efforts to increase farm needs creates a huge market for farm equipment, and I am sorry to say that it is in these fields specifically that we are recording great drops in production and great increases in unemployment. It should be obvious to all of us that when we slam the door shut upon one section of the world which is such a fertile field for world trade, it can only lead to depression and unemployment at home.

Michael L. Hoffman, who is reporting and covering the meeting of the UN Economic Mission for Europe which is in session in Geneva, Switzerland, on May 11, wrote that even though the eastern European nations have charged that the Marshall plan has usurped many of the prerogatives of the ECE, that despite all this, they are eager to trade with us and western Europe. That these nations desire such trade has been shown repeatedly. Only recently we rebuffed efforts of Czechoslovakia to buy materials we have piled up in surplus.

That these eastern European nations will meet their obligations and that their credit and guaranties are good has been amply demonstrated. As for example, when the World Bank delegation went to Poland to investigate the situation they made an enthusiastic report, calling Poland an excellent risk and recommending the loan.

It is apparent, and there can be no doubt about it, that economically those nations are in a sound position to do business. The barriers placed against them are purely political. I should say they are shrewdly political and slanted in such a way as to deprive us of these markets.

In addition to the World Bank we also have the United States Export-Import Bank, which should be used and exercised to the fullest extent. To promote world peace, mutual understanding and cooperation, and to lessen the tensions that could lead to conflict, and to fulfill our obligations that we undertook when we signed the United Nations Charter, I believe that we should stop our present discriminatory trade policy.

I see no need for the further outpouring of billions of dollars under the Marshall plan and these other foreign-aid panhandling projects. It is time that all of the nations of the world get down to business on a business basis. I shall not vote to bleed the American taxpayer further. I shall vote to repeal all of the special excise taxes that I have hereinbefore mentioned. I shall vote to rebuild our own internal economy and give all possible assistance to our States and cities, to our institutions, and to our citizens. That is what the United States Treasury is for. It is not a grab bag for all of the people of the world, and if there is any doubt in the mind of any Congressman, just go home and ask your people, and I am afraid that there will be much explaining to do when the 1950 tax bill rolls around in the election year.

In conclusion, I believe that our present trade policy in relation to the eastern European nations is not a sound policy—first, it fails to coincide with the best interests of our Nation; secondly, it has not halted the rapid recovery of the states in eastern Europe—and neither are the trade restrictions helping the recovery of western Europe.

The embargo and the restrictions on export licensing clearly do not work. On the contrary, the embargoes have forced the eastern nations to seek other sources for their wants, and I repeat that this policy will hurt our world trade for years to come. The pouring out of billions of American taxpayers' dollars into western Europe and Asia has only had the effect of splitting and hampering world trade and world economy. At a period when our capacity to produce far exceeds our needs, and in a period when our production continues to drop and unemployment is increasing, and when at the same time we have an enormous potential market that is available to us, I feel that we are following a stupid and foolish policy. The nations of eastern Europe have the credit and security. They want trade with us and have made every effort to buy American products. They have established themselves as responsible in their trade relations with the rest of the world. Establishment of world trade relations will immediately rebound to the benefit of American business and American labor. And at the same time it will be the greatest contributing force to the easing of tensions and to the restoration of understanding and peace.

Again I say, it is imperative that the tax burden be reduced by at least seven or eight billion dollars; that these tax reductions can be made on the free foreign-aid programs and the military authorizations.

I am opposed to this Marshall-plan appropriation because I insist that we revert to the program laid down by President

Franklin D. Roosevelt for the postwar period, that is, that all of the nations of the world, including the nations of western Europe, do business through the World Bank and the Export-Import Bank, and subscribe to the policy of the International Trade Organization multilateral trade agreements. We cannot afford to dish out any more taxpayers' dollars for nothing, and we must participate in the business of the world on a multilateral basis.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Idaho [Mr. WHITE].

Mr. WHITE of Idaho. Mr. Chairman, I am deeply indebted to the gentleman from New York for this time. I thought I was to be given time on our side, but I told them frankly I was going to oppose the bill.

The title of this bill reads:

Making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes.

The thing that occurs to me about the "other purposes" is that it is an appropriation to service the national debts of the European countries. I have gone into that phase of the subject a little and I am surprised to find that very few people in the Congress have gone into the fact that this is a very ingenious, artful scheme to take money from the American taxpayers to finance the servicing charges on the national debts of these foreign countries.

I have checked a little bit into Holland and Belgium as to their national debts. I found that Holland has three classes of bonds. They have bonds payable in dollars, that are sold in America. They have bonds payable in pounds, that are sold in England. I got the list of their indebtedness on the American and British bonds, but was not able to get the amount and the condition of the bonds sold domestically in Holland, which are paid in francs or in guilders.

In this appropriation of \$5,500,000,000 we do not donate anything to the people themselves in the Marshall plan countries, we simply donate the money to the governments, and the governments make the people bring in their cash and lay it on the line to get the material from America. If the hungry people of Holland or the hungry people of Belgium want bread, they ask for wheat, and our Government takes our money and goes out and buys the wheat, and keeps the farmers and the wheat growers here happy by buying the wheat and donating it to Holland. Holland requires the people that want the bread to bring in their money and lay it on the line, and it goes into the treasury of their government. Naturally, when the bond interest falls due, and the bonds themselves, these governments take the money they collected from their people and service and pay the principal of the national debt.

Over in the caucus room I asked Mr. Hoffman, the Administrator, this question. I said, "Mr. Hoffman, the chief objective of this ECA is to stabilize the national economy of these so-called Marshall-plan countries." He said, "Certainly." I said, "The most essential

thing and the most important thing to do to stabilize the economy of a country is to maintain the integrity of its national credit." He said, "Yes, sir." I said, "Now, I would like to know how much of the taxpayers' money that is disbursed by ECA is going to pay the service charge and the principal of the national debts of these Marshall-plan countries." Just then the gentleman in charge of the meeting jumped up and said, "Time is up. Mr. Hoffman has not time to answer. You can ask him privately but you must not ask him that question publicly."

I wonder how many of the men who represent the western mining States and the mining industry know that in this bill that I hold in my hand that we have under consideration 5 percent of the appropriation is set aside to purchase strategic materials. I wonder how many of the men from the Western States and the other mining States all over the United States know that that 5 percent in this bill will be \$190,000,000 that will be set aside not only to purchase lead, zinc, and copper, but to finance mining development in the foreign countries. We cannot spend a cent of this money in Mexico, we cannot spend a cent of this money in Central America or South America or Canada—well, we can spend it in Canada, because that is one of the Marshall-plan countries, as part of the British Empire. But this money is going into these European countries to break down the price of our mineral resources here, the lead, copper, and zinc produced in this country. The price of these commodities is falling every day, and the stocks of our industrial companies are falling every day, and the income taxes that we are receiving from all of these industries are falling. I wonder where we are heading.

Mr. TABER. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Chairman, the bill now before us to provide funds for the continuation of the recovery program in Europe, through the ECA, has my full support. The work already done and the results accomplished have been most gratifying.

The able administration of the ECA program by Paul Hoffman, its Administrator, has been of a character that shows what can be accomplished by utilizing the services of a man trained in business and with ample experience. While at all times he has shown a sympathetic interest in the welfare of European nations he has not permitted mere sentiment to override or set at naught the sound business principles that must be applied if the recovery program is to obtain sound, permanent, and worth-while results. His administration has been commendable and deserves high praise. He is entitled to all the support and encouragement that the Congress can give.

The funds we have already expended in the nations of western Europe have done much to provide stability to the governments receiving such aid, creating confidence in the peoples of those nations that with the help we give they can reestablish their national economy and eventually regain the power to sup-

port themselves and improve their standard of living. The accomplishment of these objectives will stem the tide of communism that threatened to engulf them. Already we can see the benefits that have accrued from the wise investment of our funds in their welfare. Past accomplishments give encouragement for future possibilities.

Frequently objection has been made to our contributions for recovery in Europe on the basis that we have worthwhile causes in our own country that call for relief. It is true there are many such causes that are rightfully entitled to relief. However, giving of aid to Europe does not and should not preclude relief to them. Furthermore, we must not overlook the fact that basically we are extending aid to Europe to establish economic conditions that will strengthen and stabilize the democratic governments of western Europe, and thereby prevent the spread of communism and the possibility of a third world war.

We naturally look forward to the day when these nations of Europe will no longer need our aid. The sooner that day arrives the better it will be for them as well as ourselves. We cannot, nor should we be expected to, continue a program of relief indefinitely. The purpose has been to give Europe merely a breathing spell during which it could rehabilitate and strengthen its tottering and unsteady national structures. This is being rapidly accomplished and gives promise of an ultimate and complete recovery. It is time, however, we began to tell the nations now receiving relief from us that ECA is not a permanent institution. They must realize that the time is coming when they must depend less upon us and more upon themselves and the investment of private capital.

My support of this bill is based upon the thought that our future security and the peace of the world is made more certain and sure by strengthening the democratic nations of Europe.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Chairman, we are now called on to put another \$5,542,000,000 into the European recovery program. We ought to stop and see what we have done or accomplished by the previous billions we sunk in foreign countries. There are some facts that seem unanswerable:

First, we have not settled the Greek revolution, but have merely prolonged it. People fired with the spirit of freedom do not give up easily.

Second, we have by the aid we have given the Dutch, used our power against the Indonesian people struggling for freedom from Dutch economic slavery. We have aligned ourselves against the plain people of these islands whose love of liberty is comparable to our own during the days of the American Revolution.

Our aid to China of \$2,000,000,000 has had the effect of equipping one of the finest and best-equipped armies in the Far East, for all of our aid has gone directly to the Communists of China. While seeking to stop communism in that

country, we have made it a smashing success.

Our aid to England has got nowhere, because that country is still unable to take care of itself. That country has too many ex-kings, kings, princes, and royal nabobs to ever get out of debt and be economically self-sustaining. Without the aid of Churchill in finagling this country into war, England would have been bankrupt and out of business as a nation. I always thought, from reading history, that we won the Revolution against England, but I guess the historians were wrong. England seems to be able yet to direct our affairs.

If Congress understood the fundamentals and actually wanted to stop the spread of communism in Europe, it would be a comparatively easy matter to take such action as will not directly aid in the spread of that "ism." Behind all the unrest in these countries is the determination of the people everywhere to acquire that which will enable them to live—namely, land. As long as the people in any country are hungry for land, and the present governments permit the maintenance of large estates used for pleasure, game preserves, and royal palaces, this unrest will go on. Any form of government which promises them land, no matter how autocratic it may be, will have the support of the common masses of people. You can see that in China at this hour. Bells are ringing, flags waving, as the people formerly under the Chiang government welcome the advancing well-equipped and well-managed army of the Communists. They are hailed as liberators. Liberators from what? Liberators of people from a corrupt government that has at all times ignored the suffering of the people of China.

I said once before on the floor of this House, and now repeat it, that I will vote against any appropriation for any foreign country until we take care of the people who are in distress in this country. We have many thousands of aged people here who are living on assistance that is not only pitiful, but a crime against the traditions of the United States. All officials of the Government want raises in pay. There is a bill now before Congress to increase the salaries of top Government employees from ten to fifteen thousand dollars annually, yet we have done nothing for the aged, the crippled, and the blind. Pensions to soldiers have been denied, but yesterday an attempt was made to boost the pay of retired Army officers, where the lower officers received a token and the top hats were to get it all. It did not work.

To decrease this appropriation for ECA by 15 percent is a gesture in the right direction. I will vote for it and if we amend it and reduce the amount by 15 percent, we will save \$832,000,000, or almost twice what it will cost to allow the aged people of the United States double what they are getting now. We should save all of this five billion five hundred and forty-two million, and after the bill is amended to cut it down 15 percent, I will still vote to reject the whole thing. I hope I have made my position clear.

The CHAIRMAN. The time of the gentleman has expired; all time has expired.

The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1950, namely:

TITLE I

FUNDS APPROPRIATED TO THE PRESIDENT

Economic cooperation

For expenses necessary to enable the President to carry out the provisions of the Economic Cooperation Act of 1948, as amended by the act of April 19, 1949 (Public Law 47), for the period commencing April 3, 1949, through June 30, 1949, including expenses of attendance at meetings concerned with the purposes of this appropriation (not to exceed \$6,000); hire of passenger motor vehicles; maintenance and operation and hire of aircraft; payment of damage claims pursuant to law (28 U. S. C. 2672); health service program as authorized by law (5 U. S. C. 150); rents in the District of Columbia; transportation of privately owned automobiles; entertainment (not to exceed \$6,000); exchange of funds without regard to section 3651 of the Revised Statutes; and loss by exchange; \$1,074,000,000, of which not to exceed \$125,000 shall be available for expenditures of a confidential character (other than entertainment) under the direction of the Administrator or the Deputy Administrator, who shall make a certificate of the amount of each such expenditure which he may think it advisable not to specify, and every such certificate shall be deemed a sufficient voucher for the amount therein specified: *Provided*, That not to exceed \$4,400,000 in the aggregate shall be available from this appropriation and the appropriation under this head in the Foreign Aid Appropriation Act, 1949, for administrative expenses during the period April 3, 1949, through June 30, 1949.

For expenses necessary to enable the President to carry out the provisions of the Economic Cooperation Act of 1948, as amended by the act of April 19, 1949 (Public Law 47), for the fiscal year ending June 30, 1950, including expenses of attendance at meetings concerned with the purposes of this appropriation (not to exceed \$30,000); purchase (not to exceed two) and hire of passenger motor vehicles; maintenance and operation and hire of aircraft; payment of damage claims pursuant to law (28 U. S. C. 2672); health service program as authorized by law (5 U. S. C. 150); rents in the District of Columbia; transportation of privately owned automobiles; entertainment (not to exceed \$25,000); exchange of funds without regard to section 3651 of the Revised Statutes; and loss by exchange; \$3,568,470,000, of which not to exceed \$500,000 shall be available for expenditures of a confidential character (other than entertainment) under the direction of the Administrator or the Deputy Administrator, who shall make a certificate of the amount of each such expenditure which he may think it advisable not to specify, and every such certificate shall be deemed a sufficient voucher for the amount therein specified: *Provided*, That this appropriation shall be consolidated and merged with appropriations under this head for prior periods, and such consolidated appropriation may be used during the fiscal year 1950 within limitations herein specified: *Provided further*, That not to exceed \$16,500,000 for such consolidated appropriation shall be available for administrative expenses during the fiscal year 1950.

Mr. GARY. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. GARY: On page 4, line 7, strike out the period and insert a colon, and the following: "': *Provided further*, That the entire amount may be apportioned for obligation or may be obligated and expended, if the President after recommendation by the Administrator deems such action necessary to carry out the purposes of said act during the period ending May 15, 1950."

Mr. GARY. Mr. Chairman, the amendment which I have offered is the exact language contained in the appropriation bill of last year, with the exception that the date has been changed from April 2, 1949, to May 15, 1950. As I explained in my opening statement, the purpose of this amendment is merely to provide that the expenditure of funds which have been appropriated for a 15-month period may be accelerated and the money spent in 13½ months if the President, after recommendation by the Administrator, deems such action necessary to carry out the purposes of the act.

It is not our purpose to ask for any increase in the funds of ECA and if the funds last for 15 months, I am certain that the Administrator will be delighted to stretch them out. The purpose of the amendment is merely to see that the Administration and this Government is not embarrassed by an absolute lack of funds at the end of the term. In this connection I read a letter which was written by the President of the United States to the chairman of the Committee on Appropriations. The letter is as follows:

THE WHITE HOUSE,
Washington, May 26, 1949.

HON. CLARENCE CANNON,
Chairman, Committee on Appropriations,
House of Representatives.

DEAR MR. CHAIRMAN: You are, of course, aware of my deep interest in the success of the work of the Economic Cooperation Administration and the success of our program for government and relief in occupied areas. I am firmly convinced that the maintenance of these operations on an adequate basis is not only necessary for the fulfillment of our international obligations and the success of our foreign policy, but also that the operation of this program on an adequate basis at this time will, in the long run, prove to be the most economical course for the United States.

The importance of the Economic Cooperation Administration is so well understood that I am confident that we can expect the Congress to continue to provide adequate funds for its work. I would like to stress the importance of providing equally adequate funds for government and relief in occupied areas.

The funds which would be provided for this purpose in the appropriation bill reported by the committee would be adequate to continue the maintenance of the minimum ration per individual but, for all practical purposes, would not permit the continuance of the program for economic rehabilitation in Japan and in the Ryukyus. The reduced funds would also seriously affect the program for economic rehabilitation in Germany which is carried on in conjunction with the work of the Economic Cooperation Administration. Only by continuance of this program could we expect the people in those areas eventually to become self-

supporting. I feel that provision of an amount adequate to carry on the program of Government aid and relief in occupied areas at the level requested will, in the long run, reduce the over-all cost of accomplishing our occupation responsibilities.

I earnestly hope, therefore, that this amount will be made available.

Sincerely yours,

HARRY S. TRUMAN.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. THOMAS of Texas. Mr. Chairman, I intend to support this legislation on final passage, but I will not support any amendments which seek, directly or indirectly, to restore any part of the approximately \$800,000,000 which my amendment in the full Appropriations Committee, cut from the budget estimates. I think European recovery money and effort are necessary, but not in the full amounts presented by the budget.

If I may, I should like, briefly, to summarize part of what has been done. The other part I am not advised on. I refer to an agreement that was made late yesterday afternoon by the leaders on both sides of the aisle. Why the agreement was made, or what brought it about, I am not advised.

By way of summary, let me state that the full Committee on Appropriations reduced the budget estimates for ECA for fiscal 1950, which were roughly \$4,200,000,000, by 15 percent. The budget estimate carried \$1,074,000,000 to be used the last 3 months of fiscal 1949. My amendment in the full committee did not reduce that item. In other words, the 15-percent cut did not apply to it.

The item for military government and relief in occupied countries for the fiscal year 1950 carried a budget estimate for \$1,000,000,000. The full committee reduced that item by 15 percent also.

The original subcommittee bill carried a limitation of about 5 percent on the use of the \$1,000,000,000 funds for government and relief in the occupied countries, for the purpose of administration. By amendment, the full committee reduced the 5-percent limitation to 3½ percent. I understand according to the terms of the agreement heretofore referred to, that the distinguished gentleman from Virginia [Mr. GARY] will offer an amendment to restore the full 5 percent.

The amendment that the gentleman from Virginia has already offered, does not seek to restore the 15-percent cut for ECA funds, but gives to the Administrator the right to spend all the funds, not in 15 months, but 13½ months. I also understand that the Administrator agrees to try to make the \$5,000,000,000 last through the entire period of 15 months. If the funds do not last the entire 15 months, he has a right to come back to Congress and seek to recover the 15 percent that the full committee has cut from his funds. I am afraid that the Administrator will be back on time, looking for the 15-percent cut. However, I hope he does not. And I believe that by the use of good business judgment, of which he has an abundance,

and by the practice of a little economy that is so badly needed in our fiscal affairs now, he will be able to save the American taxpayers the \$700,000,000 that was cut from this item.

I understand that another amendment will be offered dealing with the military government item on page 4 of the bill that will seek to restore \$75,000,000 of the \$150,000,000 that the full committee cut. And, in addition to that, will seek to restore the full 5-percent limitation placed upon the administrative use of these funds.

Frankly, Mr. Chairman, in my humble judgment, I know of no greater waste in our entire Government than in the administration of our military government in occupied countries. True, this type of government is about to be shifted to a civilian government, but the same employees in the occupied countries will do the administering. They draw good salaries. On top of the good pay, they get the foreign-service pay, which is 20 percent extra, and other perquisites.

We have a precedent to go by in the matter of administering foreign rehabilitation and relief in the way of limitation of administrative funds, and that is in the Philippine Islands. There we are spending \$400,000,000 for this type of work. The Appropriations Committee has put a limitation of slightly less than 3 percent for administrative purposes, and the Philippine Commission is doing a good job. Surely 5 percent is too great a sum of money, particularly in view of the fact that hundreds of military people will be used in the administration of these funds, whose pay will not be deducted from these funds, but from the military appropriations.

So, Mr. Chairman, under the amendments that the subcommittee will offer, and which the House will pass—for I understand that the way has been well paved in the form of an agreement on both sides of the aisle—you will have a savings that you can put your fingers on of only \$80,000,000, as a result of the 15 percent cut. Instead, it should have been approximately \$800,000,000. But we are given the fond hope that an additional \$700,000,000 will be saved. Let us hope that the \$700,000,000 can be saved, because the taxpayers need a little help. I am sure that this cut will not affect the soundness and the efficiency of the entire ECA program. Bear in mind, please, that we will be called upon in 1951 and 1952 to make similar large appropriations for the same purpose.

Mr. MONRONEY. Mr. Chairman, I am strongly in favor of the amendment offered by Mr. GARY to prevent the proposed disastrous cut in ECA funds.

In offering this amendment the gentleman from Virginia [Mr. GARY] will undo some of the damage done to this great program. However, no one can deny that we narrowly averted a great tragedy to this useful program, that has done so much to help protect the vital sectors of Europe against the threat of Communist domination.

The deep cut in the funds would have impaired the hand of the State Department in the present Foreign Ministers Conference, and worse than that, would have shaken the faith of all those

Europeans who have begun to see daylight in recovery as free men under the Marshall plan.

We are faced with a peculiar psychology in this debate on the bill. Many of those who claimed that the program last year was destined to fail, now oppose it on the basis that it has succeeded so well that adequate funds are no longer needed.

While it is true that under the able management of Mr. Paul Hoffman, the director, and his staff, that remarkable progress has been made—while it is true that the program is ahead of schedule and showing remarkable results—any cut now in the funds required would be fatal to the program.

The time to make it succeed is in this second year—the crucial year for Europe and its recovery. Europe now has hope and confidence in itself and in its ability to recover.

They have entered the program and cooperated wholeheartedly to make it work and now see results. To pull the rug out from under the program now by drastic cuts, would lose the valuable momentum that has been achieved. It would turn the program from a recovery program back into a relief program—and stretch out by several years the length of time required to achieve the goal of recovery.

Thus, it could prove false economy in the extreme. By trying to save three hundred or four hundred millions now might cost us billions or more later on as the program failed to meet its goal within the 4-year period.

From the end of the war until now, the United States has made available to western Europe more than \$11,900,000,000. Most of that, before the ECA was relief, a continuing grant without hope of the recipients becoming self-sustaining. At long last we are on the track toward recovery of Europe—and not just relief. But to make any such slash in funds as was proposed by the full committee would certainly insure that recovery would be long delayed and our ultimate expense greatly increased.

This entire program, I feel, must be measured against the cost of the war which exceeded some \$350,000,000,000. Likewise it must be measured against the continuing cost of our military appropriations which exceeds sixteen billions each year. If this plan succeeds, there is strong hope that we may get out from under this terrific armament cost at an earlier time, for it is strictly a movement in the direction of world peace and world recovery.

No one who has studied the hearings can doubt the great care, the careful screening, that goes into all ECA allocations. The objections in debate raised against the ECA missions is entirely unfounded. For it is the complete understanding of each country's economy, their import and export positions, their standard of living and other vital detail, that makes it possible to render the proper amount of recovery aid without the dangers of waste or extravagance.

This action also has a most beneficial effect on the recipient countries themselves, in showing them in clear and concise fashion their economic problems

and what they can do to increase their production, to decrease their dollar demands, and to increase their exports to other countries.

Most Americans overlook the tremendous results that this vital aid brings. The aid is about 3 percent of their production, yet without this 3 percent, much of their own 97 percent of the production would be lost. It is our raw materials that makes possible the production that brings recovery. Thus, for a 3-cent investment, we greatly magnify it to make possible them producing 97 cents for themselves. Measure the effect of drastic cuts upon the program and see how much of this ratio of 33 to 1 you will cut out of their chance for recovery.

Contrary to charges raised here in the debate that Europe uses this aid to raise their living standards, figures show that most of the gains in production are plowed back into productive resources. About thirty billions this year went into new capital formation—for the tools to secure greater and better production later on.

The program will taper off to end at the expiration of 4 years. This year there will be a decline of 17 percent. Next year further decreases can be safely made under the program. But it must be an orderly decrease and not one which will wreck the good already achieved. To wreck it now with meat-ax methods without regard to the carefully screened needs would be to destroy the phenomenal success that has already been achieved.

Mr. RABAUT. Mr. Chairman, I rise in opposition to the pro forma amendment and ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The gentleman from Michigan is recognized for 5 minutes.

TOO MUCH IS ENOUGH

Mr. RABAUT. Mr. Chairman, Victor Reuther, brother of Walter P. Reuther, president of United Auto Workers, CIO, was shot Tuesday night, May 24, through a window of his home under almost similar circumstances as the attack made upon his brother some time ago.

Victor Reuther in life is associated with the educational department of the United Auto Workers. This attempt upon the lives of these brothers, devoted to the great labor cause of the country, is so un-American and so repulsive to our ideals and customs that it cries strongly for vengeance.

My purpose in coming into the well of the House is to bring forcibly to the attention of the Congress the necessity for the use of the facilities of the FBI in this case; that no stone may be unturned in the discovery of those who lend themselves to the perpetration of these dastardly acts so repulsive to the American way of life. The whole country sympathizes with the Reuther family, and let us hope that the great right arm of Uncle Sam, the FBI, will uncover and expose the culprits as an example that such deeds shall not go unpunished. Too much is enough.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. GARY].

The amendment was agreed to.

Mr. TACKETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TACKETT: On page 3, line 16, after the first semicolon, strike out the words "entertainment (not to exceed \$25,000)."

Mr. TACKETT. Mr. Chairman, no doubt it has been necessary, for our own protection, to assist in the rebuilding of war-torn foreign friendly democracies. While we have carried the burden of financing the last two World Wars and while many of our boys lost their lives in these great conflicts, it was upon the soils of these foreign countries that the battles were fought and where the women, children and aged were slaughtered—friendly democracies paying the necessary penalties to keep the actual conflict confined to those areas and save much suffering from our families.

No doubt most of us realize that during World War II while this country was participating on the side of Russia that we could be in no better position than perhaps on the side of the lesser of two evils, because all of us well knew that both Germany and Russia were seeking the same goal. Russia has since behaved as per our suspicions. Now, with Russia emerging from World War II the strongest government in Europe, with a continued desire to impose her despicable communism upon all the world, leaves us in a position whereby we must prepare her neighboring democracies with power to forestall destruction and thereby preclude conflict upon our own soil. I could stand for myself to be denied the necessities of life, but I am quite sure that I would commit wrongs to prevent my wife and children from being without the necessities. These weak foreign democracies want to remain a free people, but when their wives and children are starving, would join communism or any other type of ism in the hope of finding food and clothing.

For these reasons, and these alone, I can concur in the principles of the Marshall plan only to an amount of assistance absolutely necessary to bring about the desired results. I sanction the policies of the European recovery program only to that extent necessary for our own protection, taking foreign-trade possibilities into consideration.

As you well know, I was not a Member of Congress when the European spending program was launched and cannot be held responsible for such action; however, I do in no wise criticize the policies, but contend that the entire program can stand scrutiny, closer supervision, and narrowed coverage to insure the maximum benefit to those entitled, and preclude same from reaching unfriendly powers. I am at a loss to know why we should in such a flagrant manner send funds to Italy and other such subversive nations where we could, by the exercise of ordinary precaution, anticipate the Communists and those unfriendly to our form of government are waiting at the depot to receive our assistance with

which to further their cause. We should not spend 1 penny in the European recovery program that has a chance of drifting into the hands of our enemy.

Regardless of the importance of the European recovery program, or any other such assistance to foreign people, we should first take care of our own people even should we not have left 1 penny for worthy foreign aid. No person in the United States should be denied the comforts of every necessity whether disabled physically, mentally, or by age.

During my campaign when several of my opponents were shouting criticism of the entire European recovery program, in every one of my more than 200 speeches I uttered in substance the very statements I am making today on the floor of this House.

You may be assured that it has never been my intention to come here and give the funds of our taxpayers to socialistic England. Individual initiative, free enterprise, and open competition have been destroyed in England to the extent that were it not for the United States of America, the great spending program being conducted in that country would end and a lot of the people would face starvation. I cannot believe that we are to deny assistance to our own needy people in favor of helping a socialistic state advocating the very principles of communism.

If you gentlemen will go out into some of the rural communities within this country, you will find plenty of people on this American soil who do not have necessary food, clothing, and shelter; yet, the majority of this House is freely spending billions of dollars in the socialistic country of England and at the same time pulling every known political maneuver to deny worthy assistance to the underprivileged, crippled, and aged in our midst.

The amendment upon which I am now speaking merely seeks to strike out \$25,000 of entertainment moneys from the provisions of this bill. There are provisions calling for many more dollars for entertainment purposes. Of course, the amount that I seek to strike is not one-tenth of the funds that can be and will be used for entertainment purposes. Are our taxpayers supposed to pay for the entertainment of foreign people in the efforts of this Government to get those foreigners to take American assistance? Do you mean to say that we have got to entertain the foreign countries in order to get them into the necessary good humor to accept from us more than five and one-half billion dollars under the provisions of this bill? I would think that the foreign donees would be entertaining the American donors for these fabulous gifts that mean so little to the common people of Europe.

Oh, yes, I have something to say to a few of these good newspapermen here in the gallery who can find so little criticism for the European recovery program. Every time there is a water, flood-control, irrigation, electric-power, or navigation project proposed in this Congress to help the people of this Nation those same few newspapermen go about picking out Members of Congress in whose districts the projects are to be located

and infer that those respective Members are crooks for wanting the public projects that could so benefit the entire Nation. I presume that such writers had rather the money would be lavishly thrown overseas than allowed to benefit the American people. Such newspaper tactics are just a mode of cheap political pressure in an effort to browbeat the membership of this House. I might say further that none other than a person with criminal inclinations who could not be trusted any farther than you could throw a bull by the tail would infer crookedness at the hands of another without proof thereof. Big business sells a lot of the commodities for ECA purposes. I am wondering if such newspapers are attempting to help big business sell ECA commodities.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. TACKETT. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. TACKETT. The other day I was listening to a radio broadcast from Sicily. The commentator was standing on the sidewalk asking the various passers-by what they thought about the Marshall plan. Only 2 out of 40 questioned knew what he was talking about. These two were man and wife. The husband said that he was a Communist; for Russia; and could do without the American Marshall plan assistance. The wife said that she was for the Marshall plan; appreciated the American assistance; and wanted to thank the good people of the United States. The husband countered that his wife was all wrong—that even though they were receiving assistance from America that the Russians would eventually have to take care of them; and that the Russian form of government was more dependable.

The common people of Europe do not know one single, solitary thing about the Marshall plan and they care nothing about it. They have no reason to know from whence the assistance is coming; actually very little direct assistance is made to the people through ECA. We slough off the money to the European governments in power and they either sell the property to the people or take direct credit for any hand-outs. We are just being a bunch of suckers, and we all know it.

Mr. GARY. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 2 minutes, the 2 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. GARY. Mr. Chairman, the gentleman states very frankly that he is opposed to the ECA. He has found out that he cannot defeat the program on the floor of this House because Congress is committed to it. So he tries to accomplish by indirection what he knows cannot be accomplished directly. Certainly, there is no businessman on the floor of

this House or anywhere else who does not know that in negotiations of the kind that the ECA must conduct there are times when people must get together at lunches, dinners, and other functions. We are spending in Europe approximately \$5,000,000,000 a year. In this bill there is \$25,000 for entertainment for the entire ECA program. I do not believe that anybody on the floor of the House will think that is an exorbitant expenditure.

I ask for a vote, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas [Mr. TACKETT].

The amendment was rejected.

The Clerk read as follows:

Assistance to Greece and Turkey

For an additional amount for "Assistance to Greece and Turkey," as authorized by the act of May 22, 1947 (61 Stat. 103), as amended and supplemented, to be available immediately, \$50,000,000, which, together with the amounts heretofore appropriated under this head, shall remain available until June 30, 1950; and the existing limitation under this head in the Foreign Aid Appropriation Act, 1949, on the amount available for administrative expenses, shall continue in effect; and the existing limitation under said head on the amount available for such expenses in the District of Columbia is increased from "\$400,000" to "\$425,000": *Provided*, That said limitations shall apply only to the administrative expenses of the Department of State.

NATIONAL MILITARY ESTABLISHMENT

DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS

Government and relief in occupied areas

For expenses, not otherwise provided for, necessary to meet the responsibilities and obligations of the United States in connection with the government or occupation of certain foreign areas, including personal services in the District of Columbia and elsewhere and, subject to such authorizations and limitations as may be prescribed by the head of the department or agency concerned, tuition, personal allowances (not to exceed \$10 per day), travel expenses (not to exceed those authorized for like United States military or civilian personnel), and fees incident to instruction in the United States or elsewhere of such persons as may be required to carry out the provisions of this appropriation; travel expenses and transportation; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates not in excess of \$50 per diem for individuals; health service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to law (28 U. S. C. 2672); translation rights, photographic work, educational exhibits, and dissemination of information, including preview and review expenses incident thereto; expenses incident to the operation of schools for American children; printing and binding; purchase and hire of passenger motor vehicles and aircraft; repair and maintenance of buildings, utilities, facilities, and appurtenances; contingencies for the United States commanders, commissioners, or other administrators of foreign areas, to be expended in their respective discretions (not exceeding amounts authorized or approved by the head of the department or agency concerned); such minimum supplies for the civilian populations of such areas as may be essential to prevent starvation, disease, or unrest, prejudicial to the objectives sought to be accomplished; and such supplies, commodities, and equipment as may be essential to carry out the purposes of this appropriation; \$850,000, of which not to exceed \$29,750,000 shall be available for administrative expenses: *Provided*, That the general provisions of the appropriation act for the fiscal year 1950 for the military functions of the Department of

the Army shall apply to expenditures made by that Department from this appropriation: *Provided further*, That expenditures from this appropriation may be made outside continental United States, when necessary to carry out its purposes, without regard to sections 355, 1136, 3648, and 3734, Revised Statutes, as amended, civil-service or classification laws or provisions of law prohibiting payment of any person not a citizen of the United States: *Provided further*, That expenditures from this appropriation may be made, when necessary to carry out its purposes, without regard to section 3709, Revised Statutes, as amended, and the Armed Services Procurement Act of 1947 (Public Law 413, 80th Cong.): *Provided further*, That expenditures may be made hereunder for the purposes of economic rehabilitation in the occupied areas in such manner as to be consistent with the general objectives of the Economic Cooperation Act of 1948, as amended: *Provided further*, That funds appropriated hereunder and unexpended at the time of the termination of occupation by the United States, of any area for which such funds are made available, may be expended by the President for the procurement of such commodities and technical services, and commodities procured from funds herein or heretofore appropriated for government and relief in occupied areas and not delivered to such an area prior to the time of the termination of occupation, may be utilized by the President, as may be necessary to assist in the maintenance of the political and economic stability of such areas: *Provided further*, That before any such assistance is made available, an agreement shall be entered into between the United States and the recognized government or authority with respect to such area containing such undertakings by such government or authority as the President may determine to be necessary in order to assure the efficient use of such assistance in furtherance of such purposes: *Provided further*, That such agreement shall, when applicable, include requirements and undertakings corresponding to the requirements and undertakings specified in sections 5, 6, and 7 of the Foreign Aid Act of 1947 (Public Law 389, approved December 17, 1947): *Provided further*, That service of an individual rendered under this appropriation as an expert, consultant, adviser, or technician shall not be considered as service or employment bringing such individual within the provisions of section 281 or 283 of title 18, United States Code, of section 190, Revised Statutes (5 U. S. C. 99), or of section 19 (e) of the Contract Settlement Act of 1944, or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of service, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States: *Provided further*, That funds appropriated hereunder may be used, insofar as practicable, and under such rules and regulations as may be prescribed by the head of the department or agency concerned, to pay ocean transportation charges from United States ports, including territories' ports, to ports in Japan and the Ryukyus for the movement of supplies donated to, or purchased by, United States voluntary nonprofit relief agencies registered with and recommended by the Advisory Committee on Voluntary Foreign Aid or of relief packages consigned to individuals residing in such countries: *Provided further*, That under the rules and regulations to be prescribed, the head of the department or agency concerned shall fix and pay a uniform rate per pound for the ocean transportation of all relief packages of food or other general classification of commodities shipped to Japan or the Ryukyus regardless of methods of shipment and higher rates charged by particular agencies of transportation, but this proviso

shall not apply to shipments made by individuals to individuals: *Provided further*, That the President may transfer to any other department or agency any function or functions provided for under this appropriation, and there shall be transferred to any such department or agency such unobligated balances of this appropriation and, without reimbursement and without regard to the appropriation from which procured, such property as the Director of the Bureau of the Budget shall determine to relate primarily to any function or functions so transferred; and any funds so transferred may be expended either under the authority contained herein or under the authority governing the activities of the department or agency concerned.

Mr. GARY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GARY: On page 6, line 16, strike out "\$850,000,000" and insert in lieu thereof "\$925,000,000"; and in the same line strike out "\$29,750,000" and insert in lieu thereof "\$45,000,000."

Mr. GARY. Mr. Chairman, this amendment merely restores \$75,000,000, or one-half the amount the committee cut from GARIOA, which is Government and Relief In Occupied Areas, meaning Germany, Japan, and the Ryukyus, and EROA, which is the economic rehabilitation program in the occupied areas of Japan and the Ryukyus.

They spent last year in this fund \$1,300,000,000. The budget this year requested \$1,000,000,000. The subcommittee recommended \$950,000,000. It cut off \$50,000,000. The full committee cut off \$150,000,000. This amendment restores \$75,000,000, making the appropriation for this item \$925,000,000. In addition, there was a reduction in the administrative expenses, which is not an additional appropriation but which comes out of the \$925,000,000.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from New York.

Mr. TABER. The original estimate was \$50,000,000 for expenses.

Mr. GARY. The original estimate for expenses was \$50,000,000. This amendment would cut it to \$45,000,000.

As I stated in my opening statement, the question of ECA is one of choice for this country. GARIOA is a legal obligation. This is an obligation we have assumed, one that we must meet, and I feel that this is the smallest amount with which it can be met during the next year.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Pennsylvania.

Mr. RICH. As I understand the amendment, the gentleman is increasing the amount available for administrative expenses from \$29,750,000 to \$45,000,000?

Mr. GARY. Increasing the amount recommended by the committee. The amount requested in the Budget was \$50,000,000. The subcommittee recommended that it be reduced to \$45,200,000. We are going now to \$45,000,000 even. We are cutting \$200,000 below the recommendation of the subcommittee.

Mr. RICH. We do not care anything about what somebody else did, we are interested in what we are doing to this bill.

The gentleman is increasing it \$15,-250,000, is that right?

Mr. GARY. Yes.

Mr. RICH. That is for the expenses of administration?

Mr. GARY. Yes.

Mr. RICH. The gentleman from Arkansas a while ago was talking about spending a lot of this money and the propaganda that was going on.

Mr. GARY. The gentleman from Pennsylvania I am sure will be delighted to know that we are changing that administration from a military administration to a civilian administration. General Clay is to be succeeded as governor in Germany by Mr. McCloy, who is to be the high commissioner. I know the gentleman from Pennsylvania does not want to endanger the success of this new civilian administration. Let us go on with this now and then maybe we can cut it next year.

Mr. RICH. The trouble is that whether it is civilian or whether it is military it costs too much money.

Mr. GARY. Do not let us embarrass them. Do not let us take any chances.

Mr. RICH. Then let us leave it at \$29,-000,000.

Mr. GARY. That would embarrass them tremendously.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. JUDD. Is it not significant that we provide \$16,500,000 for the administration of \$3,500,000,000 under ECA, but \$45,000,000, or three times as much, for the administration of less than a billion under GARIOA?

Mr. GARY. This takes care of the administration not only of GARIOA, but of the entire United States administration in Germany, Japan, and the Ryukyus.

Mr. JUDD. My point is this. Part of the reason why Paul Hoffman and the ECA administration can handle four times as much for a third as much administrative expense is because of the counterpart funds, is it not, which somebody was criticizing a little while ago? Local expenses of administration in England and France can be handled in their own currency, whereas in the GARIOA countries, we have to furnish dollars for such expenses.

Mr. GARY. In addition, in the other countries, we are trying to get them to promote their own recovery programs and they are paying a part of the expenses, whereas in Germany we are in command and we have to administer the whole program.

Mr. JUDD. You understand, I am sure, that I do not object to the higher figure for GARIOA. I think it is necessary. I merely want to pay tribute to the wisdom of the counterpart funds system which enables ECA to administer its enormous program, for an exceeding small percentage, less than one-half of 1 percent as against about 5 percent for GARIOA.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. RICH. Mr. Chairman, I move to strike out the last word and rise in opposition to the amendment.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. GARY. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto close in 10 minutes.

Mr. TACKETT. Mr. Chairman, I object.

Mr. GARY. Mr. Chairman, I move that debate on this amendment and all amendments thereto close in 15 minutes.

The motion was agreed to.

Mr. RICH. Mr. Chairman, now we are going to have 15 minutes to raise this \$15,250,000—that is \$1,000,000 a minute. If there is anybody who is going a-whooping, we are, but we do not know where we are going. I agree with the gentleman from Arkansas. I want to tell you that if there is anybody I want to help, if there are any people I would like to try to accommodate, it is anyone who is starving. I would go the limit on that, but this is not a starving bill—only for the Americans. The Americans are the only ones who are going to starve on this legislation, because we are not going to be able to raise that million dollars a minute that we are spending here as we talk about it. The trouble with us is every time we do anything it costs us about 10 times more than it ought to cost to administer it. The trouble with this legislation is that we are bringing a lot of people here in this country from these foreign countries to tell us just how good we are for giving them this money.

As the gentleman from Arkansas said awhile ago, if you knew about what the money was spent for, that we are giving to these fellows, to get us to believe that we are doing a good thing, we just would not do it. That is the sad part about this legislation. For the last 5 or 6 years we have been trying to keep, as he said, a socialistic government going in Great Britain. I would not give a nickel to keep a Socialist government going in America. I am against it in every way. Yet you will spend a billion dollars to keep Britain going and let Great Britain reduce her taxes over there so that you can tax our people more money to help the British Socialist Government remain in power. I think it is a travesty on American intelligence that the Members of Congress should vote for anything like that. Brother from Arkansas, stand up. Let us stand up here and fight until the cows come home and try to stop this thing. It is about time that we tried to get more Members here to fight this kind of legislation. I know you have to have good administration, but our administration here in America is just costing the taxpayers of America too much. You have got too much red tape. You have too much organization. You have too many people on the pay roll. You have too many people who want jobs. You have too many commissions that you want to send over to Europe and other parts of the world to review foreign affairs and the things that are going on in those countries. You are asking too many of those people to come over here and run around to tell the Americans what good fellows we are for

being such saps to give them so much money. It is about time we stopped.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. ROONEY. Does the gentleman feel that it is more important to spend millions of dollars of the taxpayers' money for an historical site in Philadelphia, for which the gentleman from Pennsylvania recently voted, or to spend some money to stem the tide of communism in Europe?

Mr. RICH. Oh, my soul. You are so far behind the times that you ought to wake up. Your forefathers were the fellows who gave you your independence. Your forefathers were the ones who wrote this Constitution. They are the ones who gave us this free government and you are only trying to wreck it. You ought to be ashamed of yourself.

Mr. ROONEY. I will not quarrel with or answer my friend. He is really a fine gentleman. It is too bad he cannot answer my question.

Mr. CRAWFORD. Mr. Chairman, I fully realize that this proposition is all cut and dried. Everybody is ready to vote, and what I say is not going to change anybody's mind, but I am impelled to join my friend from Pennsylvania on this issue, much as I disagreed with him the other day, and oppose this amendment.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. CASE of South Dakota. I think attention should be called to the fact that GARIOA is not merely a relief program but it is a governmental administrative program which embraces the administration of a government of occupation, and that necessarily calls for much greater administration than a relief program which is worked out with the country involved. There is also involved here an educational program, and administration of the educational program has to come out of this fund. So there are sound reasons for the administrative costs of GARIOA greatly exceeding on a percentage basis those of ECA itself. This particular item deals with government and relief in occupied countries.

Mr. CRAWFORD. One thing I wish to get straightened out in my own mind is the amount recommended in this military government item: Is the gentleman from New York going to stand by the committee recommendation or by the amendment?

Mr. TABER. The committee recommended \$850,000,000 in one place, and \$29,750,000 in another on this particular item. That, of course, was the action of the committee. The amendment has been offered here. As a matter of fact, this particular set-up with the obligation that is on this country to take care of relief in occupied territory is an entirely different subject than the ECA, and we have got to meet our responsibility there. The figure for relief in Germany has been cut already below the authorization of the \$80,000,000 since the authorization bill was passed in connection with the ECA appropriation.

Mr. CRAWFORD. May I ask this question: Does the Committee on Appropriations recommend on page 6, line 16, \$850,000,000 or \$925,000,000?

Mr. TABER. The committee voted to recommend \$850,000,000; and they further voted to recommend \$29,750,000 for the other figure.

Mr. CRAWFORD. So far as the gentleman from New York knows, is the committee standing by this \$850,000,000 or does the committee now stand for the \$975,000,000?

Mr. TABER. The chairman of the subcommittee in charge of the bill has offered this amendment. It is in the nature of a compromise; and, frankly, I shall not oppose it.

Mr. CRAWFORD. I thank the gentleman for his remarks. I feel this is an awfully loose manner in which to handle the funds provided by the taxpayers of this country; and here is one of the basic reasons why I will not support this bill. I expect to vote against the bill, because I think this whole program is in a run-away frame of mind; I do not think the Congress has ever had control of this program; I do not think it has ever been administered in a reasonable, efficient manner; and I think we are disrespectful of the taxpayers of the United States in so loosely handing out funds for these international projects.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

The Chair recognizes the gentleman from Arkansas [Mr. TACKETT].

Mr. TACKETT. Mr. Chairman, I have not made a habit of using much of the time of this House in debate on bills, and my record to date will certainly not label me as a reactionary. But, gentlemen, I can not understand how this committee can have the guts, gall, and audacity to ask for an additional \$15,000,000 to administer the giving away of funds in Japan and Germany. The bill calls for \$30,000,000, and you are asking this House for a total of \$45,000,000 to supervise the spending of billions of dollars for direct relief to the people of these defeated countries, who waged war against us. Of course, the Civil War is over, and perhaps shouldn't be mentioned, but it is hard for me to ignore the fact that you did not give us in the South \$45,000,000 to supervise the spending of billions for the people of the South at the expiration of the Civil War. We were conquered and treated as conquered people. All you gave us were carpetbag judges and allowed us to starve.

Just last night, as quoted in this morning's newspaper, the President of the United States said in a speech that this country had made history by assisting defeated foreign enemies taken over by us, and at the same time allowing our people to do without the necessities of life.

This compromise that has been entered into by and between the Democratic and Republican leadership is quite amusing. Let projects be offered by either administration for the benefit of this Nation, and there is never a compromise, but a bitter fight to the last ditch in an effort to preclude our people from receiving helpful assistance that

we may send it overseas to ungrateful, socialistic countries.

Mr. GARY. Will the gentleman yield?

Mr. TACKETT. I yield to the gentleman from Virginia.

Mr. GARY. I am wondering if the gentleman thinks that Virginia is north of the Mason and Dixon's line?

Mr. TACKETT. I know where the gentleman is from. I know all about that, but what I am talking about is how foolish the gentleman is acting today. One would not know that the gentleman was from Virginia by the way he is willing to throw the taxpayers' money around. I shall support no part of any such legislation.

Mr. GARY. I am proud of the fact that I am from Virginia.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. GARY].

Mr. KEATING. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KEATING. Mr. Chairman, may I demand a division, or a separate vote on the change of the figure of \$850,000,000 and in the change of the figure of \$29,750,000?

The CHAIRMAN. That would be subject to demand for a division.

Mr. GARY. Mr. Chairman, I raise a point of order that, the vote having been taken, it is too late for the gentleman to request a division of the question.

The CHAIRMAN. The vote had not been determined. We were about to take the vote. Does the gentleman from New York [Mr. KEATING] request a division?

Mr. KEATING. Mr. Chairman, I demand a division of the question.

The CHAIRMAN. The vote is on the first portion of the amendment which authorizes an increase from \$850,000,000 to \$925,000,000.

The question was taken; and on a division (demanded by Mr. TACKETT) there were—ayes 120, noes 39.

So the first part of the amendment was agreed to.

The CHAIRMAN. The question is on the second portion of the amendment, which provides for an increase in funds from \$25,750,000 to \$45,000,000.

The second part of the amendment was agreed to.

The Clerk read as follows:

TITLE II—GENERAL PROVISIONS

Sec. 201. No part of any appropriation contained in this act shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a

member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation contained in this act shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than 1 year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

Sec. 202. This act may be cited as the "Foreign Aid Appropriation Act, 1950."

Mr. GARY. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOLEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. GARY. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. RICH. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. RICH. Indeed I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. RICH moves that the bill be recommitted to the Committee on Appropriations.

Mr. GARY. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the "noes" had it.

Mr. RICH. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. BURDICK, Mr. O'HARA of Minnesota, and Mr. MARCANTONIO demanded the yeas and nays.

The yeas and nays were refused.

Mr. RICH. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and forty-four Members are present; a quorum.

The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. MARCANTONIO) there were—ayes 193, noes 27.

So the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. GARY. Mr. Speaker, I ask unanimous consent that all Members have five legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

PROGRAM FOR NEXT WEEK

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, in order that I may inquire of the majority leader the program for the coming week.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, we will meet tomorrow and then adjourn until Tuesday.

Mr. MARTIN of Massachusetts. I understand there will be no controversial business tomorrow.

Mr. McCORMACK. There will be no business tomorrow.

In just a moment I expect to ask unanimous consent that when the House adjourns tomorrow it adjourn to meet on Tuesday next.

As to the program for next week, there will be nothing on Monday because the House will not be in session.

On Tuesday we will take up House Resolution 215, providing for investigations to be made by the Committee on Merchant Marine and Fisheries. That will take not more than an hour. Following that will come the bill H. R. 834, to amend the Contract Settlement Act of 1944.

Mr. MARTIN of Massachusetts. Will the gentleman explain what that bill does?

Mr. McCORMACK. This bill came from the Committee on the Judiciary. The purpose of the bill is to compensate persons who without fault or negligence suffered loss in attempting to supply certain strategic or critical minerals or metals for the war effort.

Mr. MARTIN of Massachusetts. That has a unanimous committee report?

Mr. McCORMACK. I understand it has a unanimous report.

I might say that on Tuesday, if it appears that a roll call is to be had on ac-

tion on any measure, if it is agreeable with the gentleman from Massachusetts I shall ask unanimous consent that such roll call be taken on Wednesday.

Mr. MARTIN of Massachusetts. That is agreeable to me.

Mr. McCORMACK. On Wednesday the bill relating to veterans' pensions will come up for consideration.

On Thursday and Friday there will be the bill H. R. 4569, the displaced-persons bill.

Any further program for the remainder of next week will be announced later. Conference reports, of course, may be brought up at any time, but not on Tuesday, for on that day nothing will be taken up of a controversial nature. I make this announcement with reference to Tuesday so that Members may govern themselves accordingly.

Mr. MARTIN of Massachusetts. I thank the gentleman.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow it adjourn to meet on Tuesday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3704) entitled "An act to provide additional revenue for the District of Columbia."

The message also announced that the Senate disagrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 900) entitled "An act to amend the Commodity Credit Corporation Charter Act, and for other purposes."

The message also announced that the Senate further disagrees to the amendment of the House to the above-entitled bill and asks a further conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. THOMAS of Oklahoma, Mr. ELLENDER, Mr. ANDERSON, Mr. AIKEN, and Mr. YOUNG to be the conferees on the part of the Senate.

CVA

Mr. ELLSWORTH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ELLSWORTH. Mr. Speaker, Americans seem to have about two ways of trying to accomplish things in a governmental way. One is embodied in the well-worn slogan, "There ought to be a law." The other reached perhaps its highest point during the depression when the piling of executive agency upon agency created only slightly less confusion than the agencies themselves were expected to resolve.

It seems to me that we are too prone to do these things: First, to expect the mechanics of government to take over when our own moral accomplishments lag behind our responsibilities; and, second, to forget that where Government pays or subsidizes, it will also control.

Two wise men speak from the past words directly applicable to the subject under consideration. It was Jefferson who said, "That government is best which governs least." There is a compact statement which, considered one way, throws the responsibility for good government upon the shoulders of the people, because, stated otherwise, Jefferson might have said, "Governmental controls should not be instituted except under clear and inescapable necessity."

Lincoln wrote:

In all that the people can individually do as well for themselves, government ought not to interfere.

I conceive that neither of these great men could have contemplated the imposition of such a super state as is envisioned in the Columbia Basin Administration with any high degree of equanimity. There were democrats—with a small "d"—men who still cherished and strove to preserve the freedom and dignity of individual men, and who knew the full meaning of political responsibility at the grass roots in building a powerful democratic force in a great and developing country.

Incidentally, it is interesting to note that, in the several bills already introduced for the creation of a CVA, the "A" is for "Administration," not for "Authority" as in TVA. This is a delightfully naive sugar coating to conceal the bitter content of the pill it is now proposed to administer to the free people of the Pacific Northwest. They might swallow the beautiful connotations of "Administration," ah, yes. That brings visions of efficiency and brilliant executives, smooth-running governmental machinery, and the elimination of those old bogeys of Government "waste, overlapping, and duplication." "Authority," though, brings up visions of the rod that chastises, policy power, controls, regulations. It is a bad word. But careful study of the bills themselves discloses little of the softening implied by the shift in title. The velvet glove still covers a hand of steel and the authority resides in the bills to take over and run the natural resources of the Northwest.

The powers and responsibilities of the Administration as defined in section 2 (a) of S. 1645—MAGNUSON et al.—say:

It is hereby declared to be the policy of the United States that the relevant powers and activities of the Federal Government in the Columbia Valley region shall be so organized, directed, and administered as to

assist to the greatest possible extent in achieving the full and unified conservation, development, and use of the water, land, forest, mineral, fish and wildlife, and other natural resources of the region, for the purpose of fostering and protecting commerce among the several States, strengthening the national defense, developing the lands, and preserving the property of the United States, and promoting the general welfare.

I find little excluded. It includes all the things on the earth and beneath the surface thereof, the things that swim in the waters and fly in the air, and by inference, the things that crawl upon the surface of the earth. Presumably these latter might still be permitted to cast a ballot.

Now in section 5, we find the heading "State and local participation." Sounds nice, but listen to the language:

The Administration shall seek the advice, assistance, and participation of the people of the region and their State and local governments and organization, public and private, to the fullest practicable extent, in the formulation and execution of programs designed to carry out the purposes of this act.

The rest of the section tells about advisory boards and councils who may submit reports and opinions, but I am unable to find any language that requires the directors of the Administration to do any more than receive and register opinions of such advisory boards and councils.

Some read into these bills limited powers, but let me quote section 6 (b):

Subject to the policies, conditions, and limitations stated in this act, the Administration is authorized and directed to construct, operate, and maintain projects (including stand-by facilities), and to carry out activities, necessary for the promotion of navigation (except for channel and harbor improvement work in tidal waters tributary to the Pacific Ocean); for the control and prevention of floods; for the conservation and reclamation of lands and land resources; for the development and conservation of forest, mineral, and fish and wildlife resources; for the generation, transmission, and disposition of electric energy; for the execution of such other responsibilities as are vested in the administration by or pursuant to this act; and, in connection with any of the foregoing, for the development and conservation of recreational resources and for the promotion of sanitation and pollution control: *Provided*, That in the location, design, and construction of any dam or other facility, or any series of dams or facilities, the administration shall endeavor to foster, protect, and facilitate the access of all anadromous fish to and from their spawning areas throughout the region.

That is indeed an interesting section. While no specific mention is made of retail trade, one may assume that if it became necessary to run grocery stores it would be done under the general-welfare clause. Note carefully the "provided", which is lip service to the fishermen and completely without significance. The best authorities are agreed that another high dam on the Columbia means the end of commercial salmon fishing. I am certain that power and irrigation dams on the Rogue and the Umpqua will ruin those incomparable streams for the sport fishing that now constitutes one of the most important resources of Oregon. But note—not one word that says the people of the Umpqua or Rogue or Columbia can do any

more than register an opinion. The CVA is constrained only to endeavor to foster, whatever that means, and facilitate the access, and so forth. I submit that these are weasel words. CVA could and would do as it pleased regardless of the fish.

Section 6 (c) is a beauty:

To the extent found necessary or appropriate in carrying out the foregoing subsection, or other provisions of law, but subject to the conditions and limitations herein stated, the Administration is authorized and shall have the power (1) to acquire real and personal property, including any interest therein, by purchase, lease, condemnation, exchange, transfer, donation, or otherwise, and to sell, lease, exchange or otherwise dispose thereof, including donations incident to experimentation, demonstrations, or other similar uses (without regard to section 3709 of the Revised Statutes, as amended); and to obtain services by contract, donation, or otherwise: *Provided, however*, That the Administration shall have no power to condemn any water right except as it may be appurtenant to land acquired incident to the construction of dams, reservoirs, or other projects or facilities.

Here is eminent domain with a vengeance.

Notice also 6 (c) (3):

To conduct economic, scientific, and technologic investigations and studies, to establish, maintain, and operate research facilities, and to undertake experiments and practical demonstrations.

Note especially the phrase "and practical demonstrations." Does anybody know where demonstration leaves off and Government ownership and operation begins?

Tucked away in (c) (5) is this language:

Subject to provisions of law specifically applicable to Government corporations, to determine the necessity for and the character and amount of its expenditures and the manner in which they shall be incurred, allowed, and paid—

I frankly confess I do not know exactly what this means, but I think it means that the Administration will run its own show, with complete financial independence of the Congress and the Bureau of the Budget. There is a small show of budgetary responsibility in section 7 (e), but this appears to me to be nullified by section 12 (e) which provides for advances from the Treasury to meet costs of revenue-producing projects.

On April 19 when Senator MAGNUSON, with other Senators, submitted his bill for CVA—S. 1645—he also submitted a group of questions and answers purporting to be an analysis of the bill. An objective examination of this list of questions and answers indicates either that the supporters of the Columbia Valley Administration have not read, or do not understand, the purport of the bill itself, or that somebody is deliberately trying to misrepresent the content of the proposed act. To consider a few of the points discussed:

Question. Can the proposed CVA be compared with TVA?

Answer. The proposed CVA has the same goal as the TVA: The full and unified conservation, development, and use of the natural resources of the respective regions. * * * The CVA proposal, however, is not as all-embracing as the TVA.

The CVA bill is tailored specifically to suit the particular situation in the Columbia Valley, which differs in many respects from the Tennessee Valley.

I do not believe that this is an accurate portrayal of the content of the bill. As I have pointed out above, unless I grossly misunderstand the implications of the language of the bill, the powers granted are broad and all-embracing as far as control of the development of all the natural resources of the Columbia Valley is concerned. It is true that only specific mention of the absorption of the functions of the Corps of Engineers, Bonneville Power Administration, and the Bureau of Reclamation is made, but the authority to take over and operate all functions connected with natural resources development in the valley resides in the bill. It also resides in the TVA Act. I believe that it is a fair statement that a major part of any success that the Tennessee Valley Authority has had is ascribable to the fact that it has not used the broad grant of authority contained in its basic act of authorization. It has been wise in relying upon cooperation with the States, land grant colleges, and other Federal agencies, but, and this is important, it does not have to do so, for the authority resides in the act for it to proceed in a thoroughly autocratic manner, completely ignoring the cooperative facilities that it is now using. I believe that such a grant of authority to any agency is dangerous and completely subversive to traditional successful democratic principles of government. It is wise to avoid government by the whim or will of a triumvirate of men. It is wise to circumscribe and limit severely the authority of such a board of directors as it is proposed to create, and to do this in the beginning.

Certainly, it is true that the Columbia Valley differs greatly from the Tennessee Valley. The arguments that were advanced at the time of the enactment of the TVA Act were that the economy of the Tennessee Valley was at a very low ebb, its natural resources destroyed or undeveloped, the river untamed, all supposed to be the result of two centuries of unbridled exploitation. It must be recalled, also, that one of the most potent arguments advanced was the extremely low level of living of the inhabitants of the Tennessee Valley. These conditions certainly do not obtain in the Columbia Valley. The President, himself, in his special message to the Congress, recommending the creation of CVA, said:

The Pacific Northwest has been developing very rapidly in recent years. The population has jumped 37 percent since 1940. * * * Total income payments have increased 200 percent since before the war in those three States as compared to 150 percent for the country as a whole. The per capita income is among the highest in the Nation. * * * These are signs of the progressive energy of the people of the region and of the growth that can occur there.

In short, we are doing very well in the Pacific Northwest—better than the rest of the country, and without any valley administration.

Further, the President stated:

The Columbia Valley Administration Administration would have the advantages

of a sound foundation of basic planning already done and a large construction program already under way.

This does not appear to indict severely the progress that has been made under administrative conditions as they have existed.

The Secretary of the Treasury, John W. Snyder, in Portland, Oreg., talking about bonds, not valley administration, said:

Oregon led all the States of the Union in total income gain with a 206-percent increase. Every one of these six far-western States showed income gains since 1940 far in excess of the national average gain.

These statements do not indicate any crying need for a new agency with a vast grant of all-embracing power to do work which is, by the statements of leading men in the administration, already being done, and well done. The economy of the Northwest is a developing and pioneering economy.

A major distinction between the two valleys is that those lands from which floods originate—the high lands and the wild lands—in the Columbia Valley, are already all or nearly all in Federal ownership and under as good administration as can be had within the limits of congressional appropriations for that purpose. If they are not being managed to the highest degree of competence of the responsible agencies, the fault does not lie with the administrative system, it lies with the inability of Congress, or its unwillingness, to finance necessary capital investments in management facilities. I do not believe the creation of a CVA would help the administration of these critical watershed lands, nor would it probably hinder them. The latter is the more probable in view of the overwhelming importance that would be assumed by dam-building and irrigation developments in any administration founded, as this one would be, upon the concept that a major part of its income would be from such facilities. Forestry, range management, and watershed management would be worse submerged in such a set-up than they are now where they at least have independent status before the Bureau of the Budget and the Appropriations Committees and can really have their chance to achieve adequate financial status. I do not believe such would be the case under a CVA.

In the Tennessee Valley, Federal ownership of lands was confined to a few small areas in national forest ownership. These have been left practically undisturbed by the TVA, and wisely so. It is worthy of note, however, that under the authority of TVA there has been no work permitted by the Soil Conservation Service within the Tennessee Valley. I have been informed that progress along lines of soil conservation in the Tennessee Valley is no better and no worse than that in the rest of the country.

It is, indeed, a wide open question as to whether or not the progress that has been made under the TVA could not have been made just as well and with less friction by the investment of the huge sums of money that have been spent in

the valley under the ordinary system of governmental procedure.

Question. What will be the specific functions of the CVA?

Answer. The Administration will be responsible for the preparation of unified programs for the conservation, development, and use of the natural resources of the Pacific Northwest. These programs will cover irrigation, flood control, electric power, commercial and sport fish and wildlife protection, recreation, mineral exploration and development, soil and forest and range conservation, pollution control, and related functions.

That sounds like a beautiful statement, "the preparation of unified programs." Where are all the points of disunity in present programs that cannot be remedied through the simple mechanisms proposed by the report of the Hoover Commission, if such exist, and I know of some? They are not difficult to adjust. To me there is something far more sinister involved in this planning function that is delegated to CVA under the bill. The Forest Service, Fish and Wildlife Service, the Park Service, Soil Conservation Service, and other agencies involved are parts of large national bureaus created to perform certain functions. They perform them in conformity with national policies. They are administratively responsible to their own bureau administrations and to their responsible departmental authorities. It is not good administration, and cannot be so conceived, to delegate to a separate, all-embracing administration, such as CVA, the authority for preparing plans and then delegate the responsibility for their execution to the list of agencies given above. Neither can the administration of natural resources in the Pacific Northwest be carried out apart from national programs. Lip service is given in the bill toward coordination with national programs, but the Administration, if it functions as normally most such organizations function, will accumulate rather than disburse authority. It has the power. I believe it will function that way. Remember that the proposed Administration may use the facilities of existing Federal agencies and, if ordered to by the President, must do so. So we would be dependent entirely upon political pulling and hauling between the Administration, the Chief Executive, and the responsible Federal agencies as to who would do what.

Question. Will the CVA take over lock, stock, and barrel all the resource functions of existing Federal agencies?

Answer. No.

Question. Will the functions of the United States Forest Service, the United States Soil Conservation Service, Bureau of Mines, National Park Service, Fish and Wildlife Service, and other Federal agencies be taken over by the CVA?

Answer. No.

The two answers given immediately above indicate only the immediate sugar-coated policy that is embodied in the bill but do not indicate the authorities that are granted to the Administration under the language of the bill. As I have already pointed out, the language is so all-embracing that if and when the Administration feels in political position

to do so, it can, and I believe would, absorb all functions of all the agencies given above. The fact that the supporters of the proposed Administration at the moment do not think it expeditious to propose absorption of these functions can in nowise be interpreted as prohibiting their absorption when the time becomes convenient.

Question. Will the people of the region and their local agencies have a voice in the management of the CVA?

Answer. Yes, a large voice. The bill provides, in several places, for a strong degree of "home rule, CVA shall seek and rely upon the advice and assistance."

But it does not have to take any of the advice and it does not have to rely upon assistance. It can do as it pleases. I believe that such a grant of authority is bad. It is one thing to consult and ask advice and it is another thing to be required to conform to the will of the people of a region.

There is much more of this question-and-answer program, but I have given enough to indicate my belief that the propaganda being put out concerning the proposed CVA is deliberately misleading, and that misinformation as to the actual purport of the bill is being widely disseminated under the high-sounding allegation that nonexistent chaos is to be made orderly, that resources that are already being developed and managed are as if by some magic to be developed more rapidly, that by some magical process dams are going to be built faster and, I suppose, cheaper.

The functions it is proposed to delegate to the CVA are already functions of the Federal Government that are being well-handled, or at least as well-handled as I think they would be under any new grant of authority to such a highly centralized administration as it is proposed to create. Dams cost a certain amount of money; irrigation projects cost a certain amount of money. All the things that the authority is supposed to accomplish will cost money out of the Public Treasury. The major difference, as I see it, is that the returns to the Government from the operations under the Administration, instead of going to the Treasury and being reapportioned under the wise guidance of the Bureau of the Budget and congressional committees, will be sidetracked into the Administration fund and subject very much to the will of the Directors of the Administration. Presumably the powerful political organization that it is proposed to create would be able to present more plausible plans and proposals to the budget and the Congress in order to funnel more public funds to capital investments in the Columbia Valley. I do not believe this is at all a valid basis upon which to base such a proposal.

To me this whole proposal is a reversal of those concepts of liberty that have grown up in this country and have found their fullest fruition in the West. Our people understand their dependence upon the natural resources available to them. Under the wise guidance of the Federal agencies entrusted with the management of the wild lands and the watersheds magnificent progress is being

made toward putting them in good condition. I am highly optimistic about the future if we are let alone to work out our destiny in cooperation with the agencies with whom we have learned to work so well. The creation of any such autonomous authority as is vested in the Directors of the Administration seems to me to present grave dangers to that development of individual enterprise that has already done so much to increase the prosperity of the Northwest and create a standard of living admitted by the President to be among the highest in the country. We do not need any new centralized organization to assist us. We are doing very well without it. The dangers involved far outweigh any theoretical advantages that may be obtained. Remember that this is a new economy, not an old one such as was already bogged down in its own mud in the Tennessee Valley. We have no human wreckage, no wrecked agricultural economy. If controls are to be instituted on the use of land or forests, they should be instituted in conformity with national plans and never by the design or will of an authority responsible only to the Chief Executive. They should arise from the well-considered will of all the people, and I believe the mechanisms that it is proposed to create here are the negation of any such process.

In short, I see no need for a CVA. We are doing all right. I do see potential grave evils in the proposed set-up that far outweigh any potential benefits.

THE STRUGGLE FOR SOLVENCY IS THE PEOPLE'S FIGHT

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CURTIS. Mr. Speaker, the time has come when thoughtful citizens must decide some basic questions of government.

Do these citizens favor inauguration of more Federal programs? Do they favor our present economic system? Do they feel we can survive with enormous Federal budgets? Do they think the Federal Treasury is inexhaustible? Do they believe we can go on enlarging Government, increasing its services and handouts and, at the same time, reduce costs? Do they believe established Federal programs and activities should be reduced? Do they really care if our Government becomes bankrupt?

The recent alarm apparent in many parts of the country concerning the condition of the United States Treasury is wholesome. I hope, however, that this concern is not too late. The country must not become hysterical. We must not fail to clearly analyze the situation. The threat to our national solvency results from many governmental actions taken over a period of years. Our basic convictions as to the functions and purposes of government are involved.

True, it is proper and desirable to reduce all waste in our Federal Government; but if this were accomplished, we still would have a too costly Govern-

ment—a Government so weighty that it is doubtful whether our free-enterprise system could survive. We must, therefore, reduce the size of Government; lessen the fields of governmental activity, and the people must give up some Government services and functions.

Considerable attention and some hope have sprung from efforts here in Washington to reduce this or that expenditure by 5 or 10 percent. Of course, these reductions ought to be made. Far more important, however, is a demand from the American taxpayers to halt expansion of our Federal Government. This demand should have been made at the close of World War II.

The Eightieth Congress did not reach all its objectives. It made an honest try. It halted the expansion of socialism. It effected many economies. It set up a system of law in the field of labor-management relations and it reduced the taxes for all. The effect on our economy was noticeable. Upon Mr. Truman's election a program of increased spending, repeal of the Labor-Management Relations Act, and increased taxes was announced. It hurt the country. Farm prices have steadily declined. Confidence has been shaken. Unemployment is on the increase.

The Roosevelt-Truman administration has carried on a systematic, vigorous, expensive and continuous campaign for a bigger and bigger Federal Government. Right now the greatest drive in our history is on in Washington to enlarge our Federal Government. Proposals to federally finance our schools, to build our homes, to pay our medical bills, to police our employment and to initiate countless other programs are being high-pressured in Congress.

These programs, if adopted, would continue for years. The path to true economy is not only to adopt a percentage reduction but also to refuse spending schemes in the first place. The Congress has passed too many of the administration's measures. I am disappointed in many of them. However, Congress has defeated many administration proposals. Had it not done so, I doubt whether our Government could have survived.

In this discussion I will omit any reference to the expense of the war. We cannot change that now. We cannot erase that debt. It must be paid. But a false philosophy of government, the wrong notion of governmental functions can be more dangerous to this Republic than the war debt. Even before the war ended, it was apparent that when hostilities did cease, our Federal Government would be overloaded with financial obligations even if no additional burdens were undertaken.

On the other hand, many long-established departments of our Government have functions so interwoven with our economy that their abolition is not feasible. Generous care of our veterans is a Federal obligation. Certain activities such as highways and the development of interstate streams have been policies and programs of our Federal Government for many years. Such activities were neglected during the war. Following hostilities, it was expected that these projects would call for great sums for

construction and repair. In addition, a sound conservation program is necessary to prevent deterioration of our productive facilities.

However, realizing that our postwar economy would be weighted with established obligations for the Federal Government, I concluded that I would not cast my vote in Congress to add to the overburdened Federal Government and that my influence would not be used to put that Government into new fields of endeavor.

Consider the financial condition of most State governments. The aggregate debt for all 48 States totals some seventeen billions as compared with two hundred and fifty-two billions of national indebtedness. The majority of State governmental subdivisions are also in sound financial condition. If, then, there were to be expanded government in postwar years, that expansion should have been borne by divisions other than the Federal Government. For these reasons, at times I have voted against proposals that were desired by certain of the people I represent.

The important votes in Congress are usually votes on authorization bills. The vote on a measure which, if enacted, would call for annual appropriations to carry out a program year after year has a far greater effect on our economy than efforts to cut annual appropriations 5 or 10 percent. However, I would not minimize the importance of these percentage reductions.

Today, thoughtful citizens over the country are looking with hope to the efforts of the senior Senator from Virginia, the Honorable HARRY BYRD, in his drive toward economy. He should have the cooperation of everyone.

There has been condemnation of some of us who voted against such legislation as the British loan and the Marshall plan. My vote on these issues coincided with Senator BYRD's. And certainly he is neither an isolationist nor a pacifist. Of course, I would not want to give aid and comfort to pro-Communists or to those who contend we have no worldwide responsibilities. But bankrupting our Government on which the free world depends would be the surest method of aiding Communist forces in the world. Because of the strain of giant spending programs on our fiscal structure, I determined to oppose such measures.

Attention should be focused on the effect of these tremendous foreign aid programs upon the United States' citizens. One of the most difficult problems is that expenditures of many billions by our Federal Government in foreign lands destroys all restraint on spending here at home. It is not unusual nor rare for a group in this country to demand Federal funds for this or that on the grounds that "we are spending billions abroad and we should meet demands at home as well." These groups usually get their money.

The full employment bill, Public Law 304 of the Seventy-ninth Congress, when originally introduced embodied the philosophy that the Federal Government would see to it that everybody had a job. There were those in the House and the Senate who, like myself, could not accept any such philosophy. We real-

ized that this commitment to the people could and, indeed, might bankrupt the Federal Government. Some, who should have opposed it to the end, supported the measure when it was altered and "watered down." I could not accept their views because the whole notion was bad.

It was this bill that placed on the shoulders of the taxpayers the President's Council of Economic Advisers and created the Joint Committee on the Economic Report. This legislation not only costs money from year to year, but is a vehicle for promoting huge expenditures, boondoggling and selling to the American people the idea that the Federal Treasury is inexhaustible. I do not regret my opposition to this measure.

The country needs hospitals. The State of Nebraska needs hospitals. The territory that I serve needs hospitals. The need cannot be disputed. Who should build these hospitals? Should local units of government—the State, private or fraternal organizations—or the Federal Government? The Seventy-ninth Congress by the passage of Public Law 725 placed the burden on Uncle Sam—the most overburdened fellow in the world. It was a new field of activity for the Federal Government and it is a new program that will go on for years. It was needed. Yes. People wanted it. Yes. But without regard to the Treasury of the United States they demanded these hospitals from the wrong division of our Government.

That same Seventy-ninth Congress in the passage of Public Law 377 decided that we ought to have more airports and that civil aviation should be given a boost. I agreed with both contentions. I could not agree, however, that it was the responsibility of the Federal Government to build airports for municipalities, and I voted against the program. I am an enthusiastic follower of civil aviation and many of my friends are the leaders in that movement. Passage of the bill would raise this question in the minds of many citizens: "If the Federal Government is to build a Federal airport in everyone else's town, why should they not build one in ours?"

Perhaps, in politics, many times we get the wrong idea of what the people believe. But I do not think that I lost the friendship and respect of my friends who were aviation enthusiasts and who wanted airports, when I voted against the program. Certainly, I would like to see their community get an airport, but I would also like to see the finest, the greatest and the best government in the world survive.

Speaking in the Seventy-ninth Congress of those who oppose Federal expansion, the gentleman from Missouri, Hon. CLARENCE CANNON, chairman of the Appropriations Committee, referred to 82 of us who voted against the Federal construction of municipal airports and declared:

It is a notable list of notable men. They not only preach economy, but, extraordinary as it may seem they actually vote for economy. . . . That list of names ought to be printed in every newspaper in the country. . . . You will recognize a brother of the (economy) bloc when he gives the password.

The password is the word "No," spoken clearly and distinctly when the Member's name is called on a vote to appropriate borrowed money for something we can get along without.

I do not think this country can face bankruptcy and, at the same time, continue as a first-rate Nation and a land of liberty and opportunity. For my children, I want first, the land of freedom and liberty.

One of my pet peeves as a Member of the Congress has been the school-lunch program. I have often spoken against it. I voted against the appropriations and when it was authorized by law, I voted against it. I have been accused by some of favoring starvation. Remarks have been hurled at me that I did not want little children well fed. My answer to that is that the children who have lived under the Constitution of the United States and under our economic system of private enterprise have been the best fed children in the entire world.

It was not uncommon in considering school-lunch legislation for a Member of Congress to receive letters and postal cards from little school children saying, "Dear Congressman: Please vote for the school-lunch program." I make no charge against the others, but as for myself, I could not subscribe to a program that would teach the school children of America to look to the Federal Government for something to eat. I could not be guilty of teaching little children to pray, "Our politicians who art in Washington, give us this day our daily bread." Statism and Christianity are wholly incompatible.

It was back in the Seventy-ninth Congress that the Truman administration insisted that there would be widespread unemployment by reason of the termination of war contracts and they asked the Federal Government to underwrite the States' unemployment program. The Federal Government was to raise unemployment compensation to \$25 a week and continue it for 26 weeks. If, for instance, a certain State now pays \$15 a week for 10 weeks, the Federal Government would add \$10 for each of the 10 weeks and then pay the full amount of \$25 for the remaining 16 weeks. Mr. Truman demanded its passage. The Ways and Means Committee by a vote of 14 to 10—4 Democrats joined us 10 Republicans—defeated the proposal. There is little doubt that its adoption would have brought about the ultimate federalization of our unemployment compensation systems and there is little doubt that these Federal payments added to State systems would have ever been discontinued. That committee action saved the taxpayers millions and possibly billions of dollars.

Now, it is not only proposed, but demanded that the Federal Government go into the direct building of houses. When will it end? Shall we build a house for everyone? Shall we cease to be a Nation of homeowners?

The drive is on to put the Federal Government in the business of educating our children. It is not a mere suggestion. These programs are demands on the part of the Truman administration. Political

pressure, purges, and all the threats in the book will be used. Do the American people want the Federal Government enlarged? Do they want the Government in Washington to control the education of their children? To have Federal support of education without Federal control is comparable to swimming without getting wet.

The drive is also on to turn regulation of employment over to the Federal Government. It is under the guise of noble objectives called the fair employment practice act and civil-rights legislation. The fact is there are millions of people demanding that the policing of employment in every village and hamlet in the country be done by the Federal Government. These people are asking for more and bigger Federal Government. They are asking for more Government services, more Government regulations, more expenditures, and more taxes.

I am totally unimpressed by politicians and others who now are paying lip service to economy, who view with alarm the desperate financial plight in which we find ourselves, who never once opposed a measure that called for the expansion of our Federal Government, who are now insisting that the Federal Government build houses for citizens, educate their children, pay their doctor bills, supplement their wages when they do not work and take care of their wants.

This Nation was founded by hardy people who firmly believed that the citizens should support the Government and not the Government the citizens. That is the way the great State of Nebraska was built despite many adversities. The people who built my home county and my home city were people who accepted the idea that the citizen should support the Government.

A tremendous expansion of the Federal Government resulting in more offices, more bureaus, and more employees is threatened in the offer to citizens of security. There is no security in any unsound financial proposition. There can be no security sponsored by government if that government is on an uneconomical financial basis. Social security for our aged has been accepted by the American people. Some basic changes in that system are greatly needed. Many improvements are necessary. The Truman administration is, however, not only failing to better the program for our people who are now aged but they are attempting to commit our Government in many new fields of so-called security which would in a few years cost as much as \$30,000,000,000 a year. I favor an adequate program for our aged. I am firmly convinced, however, that the Federal Government cannot take care of the individual and underwrite him against all hazards from the cradle to the grave, and remain solvent.

It has been truthfully said there has been much blundering going on in Washington. While many individuals in Government have been blundering, there has been strategically planted in too many places architects of destruction who have known what they are doing.

They have known that they are planting the seeds of destruction for this Government and they have skillfully misled the blunderers. The actions taken in the early years of the New Deal, which tampered with the validity of contracts and placed the country on a managed fiat currency, will yet lead to trouble if those actions are not reversed. If disaster comes to us, and I pray that it will not, many men of wealth will foresee it and will protect themselves. The real injury will come to the rank and file of everyday citizens of all ages and in all walks of life.

The struggle for solvency is the people's fight.

EXTENSION OF REMARKS

Mr. MCGREGOR asked and was given permission to extend his remarks in the RECORD and include two editorials.

Mr. PATTERSON asked and was given permission to extend his remarks in the RECORD and include copy of a letter.

Mr. MULTER asked and was given permission to extend his remarks in the RECORD in four instances and include extraneous matter.

Mr. BARING asked and was given permission to extend his remarks in the RECORD.

Mrs. WOODHOUSE asked and was given permission to extend her remarks in the RECORD and include a resolution from the General Assembly of the State of Connecticut.

SPECIAL ORDER GRANTED

Mr. BIEMILLER asked and was given permission to address the House for 15 minutes on tomorrow, following any special orders heretofore entered.

PERMISSION TO ADDRESS THE HOUSE

Mr. BIEMILLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

[Mr. BIEMILLER addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. JONES of North Carolina asked and was given permission to extend his remarks in the RECORD and include a statement made by him before the Committee on Post Office and Civil Service in reference to the proposed increase in postal rates on second-class mail.

Mr. CAVALCANTE asked and was given permission to extend his remarks in the RECORD and include an article by Arnett G. Lindsay.

Mr. BURNSIDE asked and was given permission to extend his remarks in the RECORD and include a letter to the editor of the Evening Star, which appeared Monday, May 23.

Mr. COOLEY asked and was given permission to extend his remarks in the RECORD and include a speech recently delivered at a conference in the city of Washington.

Mr. WHITTINGTON asked and was given permission to extend his remarks

in the RECORD and include an address made by him before the National Rivers and Harbors Congress at its recent meeting in Washington.

Mr. HAND asked and was given permission to extend his own remarks in the Appendix of the RECORD.

VICTOR REUTHER

Mrs. DOUGLAS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from California?

There was no objection.

Mrs. DOUGLAS. Mr. Speaker, I, too, wish to speak about Victor Reuther and the dastardly attempt made on his life Tuesday night. Victor Reuther is the brother of Walter Reuther. Both of these men are looked up to as outstanding labor leaders in the country. A year ago Walter Reuther was shot in his home. Those responsible for this crime have not as yet been apprehended. Now the same identical pattern has been followed in an attempt on the life of his brother, Victor Reuther, who was shot through a window in his home Tuesday night just as Walter Reuther was shot a year ago.

I hope the Federal Government will at once investigate this matter in view of the fact that the Governor of the State of Michigan and the mayor of the city of Detroit and the city council have asked the Federal Government to intervene. The FBI should at once be sent to Detroit to investigate this crime before all clues are lost.

The SPEAKER. The time of the gentlewoman from California has expired.

Mr. BURKE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks and include a statement.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BURKE. Mr. Speaker, yesterday the Nation was shocked by a cowardly attempt to assassinate Victor G. Reuther, brother of Walter P. Reuther, the president of the UAW-CIO and, in his own right and on a record of intelligence and courage, an outstanding leader of American labor.

The attempt made on the life of Victor was similar in many respects to the attempt made on the life of his brother. A shotgun blast of heavy slugs was fired through the window of the home under cover of darkness.

Yesterday the Detroit Common Council adopted a resolution urging President Truman, Gov. G. Mennen Williams, of Michigan, and J. Edgar Hoover to order the Federal Bureau of Investigation and the Michigan State Police to join with the Detroit Police Department in solving this assassination attempt, which, in its characteristics, is so similar to the earlier attempt upon the life of Walter Reuther as to suggest a cold-blooded, implacable conspiracy. I insert in the RECORD an excerpt from the minutes of the Detroit Common Council meeting, signed

by Thomas D. Leadbetter, city clerk, and also a telegram from Gov. G. Mennen Williams to President Truman:

The Detroit Common Council, by resolution urges the President of the United States, Gov. G. Mennen Williams, of Michigan, and J. Edgar Hoover, to order the FBI and the Michigan State police, respectively, to join with the Detroit police department in making a thorough investigation of the brutal shooting of Victor Reuther on Tuesday night. Council President George Edwards suggested international motives might be behind the shooting.

THOMAS D. LEADBETTER,
City Clerk.

The people of Michigan are profoundly shocked and angered by the brutal shooting of Victor G. Reuther under the same circumstances as surrounded the attempted assassination of his brother, Walter Reuther, president, UAW-CIO. There are indications that shooting may transcend local interest, and I have already ordered all police agencies in the State of Michigan to devote their best efforts to the case. I join with the Common Council and mayor of Detroit to urge you, Mr. President, to put all facilities of the Federal Bureau of Investigation and other appropriate Federal agencies on this case, that the perpetrators against decency and law may be swiftly caught and public order and confidence restored.

G. MENNEN WILLIAMS,
Governor of Michigan.

I quote the last sentence of the council's minutes:

Council President George Edwards suggested international motives might be behind the shooting.

I also quote this sentence from Governor Williams' telegram:

There are indications that shooting may transcend local interest, and I have already ordered all police agencies in the State of Michigan to devote their best efforts to the case.

Mr. Speaker, it is high time that this attempt to institute a reign of terror in the city of Detroit and against the Reuthers, who have made major contributions to the entire labor movement in the past 15 years, be exposed and broken, and that those responsible be brought to justice, tried, and given appropriate punishment.

It should be pointed out, it seems to me, that Detroit Council President George Edwards was not speaking idly when he suggested that there might be international motives back of the shooting. Victor G. Reuther is one of the four labor members of the Anglo-American Council on Productivity and is chairman of the labor group. That committee was appointed by Paul Hoffman, ECA Administrator. Its purpose was to work with ECA to give technological assistance in the great recovery effort now being made in the United Kingdom. He attended meetings in London and elsewhere in Britain designed to promote the success of the Marshall plan through ECA, meeting with labor and other groups to discuss the hard, practical questions of production under the many handicaps that face British industry, workers and employers alike.

Earlier, he was a member of a CIO delegation at a meeting of a trade union advisory committee consisting of labor

representatives from nations participating in the ERP program.

Both Walter and Victor Reuther know the score on both Fascist and Communist totalitarianism. They saw both in action while they were employed as workers in Germany and in Russia during a trip which they made around the world during the last depression.

No man has surpassed Walter Reuther in his fight against Communist totalitarianism in all its many fronts and disguises, within and without the great union of which he is the democratically elected president. No man has been more successful in that fight. And Victor G. Reuther, as has been true since the days when the great union which they helped to build was in its beginnings, has been his blood brother and his union brother, his loyal coworker and associate, working on the great UAW-CIO team to make secure genuine democracy within that union, to win some measure of industrial democracy in relations with management, and to strengthen and make more secure our political democracy.

Mr. Speaker, I ask President Truman that he instruct J. Edgar Hoover, director of the Federal Bureau of Investigation, to comply immediately with the request for assistance made by the Detroit Common Council and Gov. G. Mennen Williams, of Michigan. I believe that the outraged conscience of America demands concerted local, State, and Federal action to bring the perpetrators of these crimes, and the coconspirators behind them, if any there be, to speedy justice and punishment.

HON. PETE JARMAN

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, one of the most valuable Members of the House I ever served with is our former colleague from Alabama, Pete Jarman. I was particularly pleased to note yesterday that the President nominated Pete Jarman for the responsible diplomatic post of Ambassador to Australia. Those of us who served with Pete Jarman know that he will render outstanding service. His many years of service on the Committee on Foreign Affairs equips him, and gives him the background to act as a valuable member of our diplomatic service and to ably perform the duties of his important post in Australia.

We of the House, without regard to party, are pleased with the nomination of Pete Jarman. We congratulate Pete and his good wife, who is such a close helpmate of his, and we particularly congratulate President Truman in his wisdom in making such an excellent suggestion.

Mr. VORYS. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. VORYS. I am delighted at the news the gentleman has given the House, and I want to join with the gentleman in everything he has said. We thought a

great deal of Pete Jarman, on our committee. With his charming, courtly manners, and his fine mind he should make a good addition to our diplomatic staff; and we also congratulate the President upon his nomination.

Mr. FEIGHAN. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. FEIGHAN. Mr. Speaker, like my distinguished colleagues, Mr. McCORMACK and Mr. VORYS, I should like to take this opportunity to voice my sentiments with reference to the President's nomination to the office of Ambassador to Australia of my esteemed friend—Pete Jarman. I am confident that the warmth of Pete Jarman's genial personality and the graciousness of his charming wife will endear them to the people of Australia. Pete Jarman has been an able student of foreign affairs for many years. His avid application to economic subjects and foreign affairs has fortified him with vast knowledge so necessary in the important task to which he has been nominated. This Nation and Australia are fortunate to have representing the United States a man of such sterling character, breadth of vision and understanding. With Pete Jarman as our Ambassador in Australia we may be assured that the bonds of friendship existing between these two great countries will continue and we may look forward to even more favorable, prosperous and cordial relations.

EXTENSION OF REMARKS

Mr. BURDICK asked and was given permission to extend his remarks in the RECORD and include a clipping from the Richmond Times-Dispatch on diseases in tobacco.

Mr. CANFIELD asked and was given permission to extend his remarks in the RECORD and include a letter and a resolution.

Mr. MILLER of Nebraska asked and was given permission to extend his remarks in the RECORD and include an article on Guam.

Mr. JENISON asked and was given permission to extend his remarks in the RECORD in two instances and in each to include extraneous matter.

Mr. O'KONSKI asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. JAVITS asked and was given permission to extend his remarks in the RECORD and include certain newspaper material.

Mr. BYRNES of Wisconsin asked and was given permission to extend his remarks in the RECORD and include certain tables.

Mr. MERROW asked and was given permission to extend his remarks in the RECORD and include a resolution on China that he introduced at the beginning of this Congress.

Mr. JENSEN asked and was given permission to extend his remarks in the RECORD and include an editorial from the Atlantic News-Telegraph entitled "Up to You."

Mr. SMITH of Kansas asked and was given permission to extend his own remarks in the RECORD.

Mr. COLE of Kansas asked and was given permission to extend his remarks in the RECORD and include a radio address by former Senator Capper, of Kansas.

Mr. BOGGS of Delaware asked and was given permission to extend his remarks in the RECORD on the subject of aid to the blind.

Mr. LANE asked and was given permission to extend his remarks in the RECORD and to include extraneous matter.

Mr. TAURIELLO asked and was given permission to extend his remarks in the RECORD and include certain comments made regarding the McKenzie report which criticizes certain functions of the Customs Service in the Treasury Department, notwithstanding the fact that it exceeds the limit fixed by the Joint Committee on Printing and is estimated by the Public Printer to cost \$937.50.

VOTE AGAINST ECA BILL

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. WHITE of Idaho. Mr. Speaker, I desire the RECORD to show at this point that I voted against the ECA appropriation bill just passed.

CHAIRMAN OF THE ATOMIC ENERGY COMMISSION

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, the Atomic Energy Commission, being one of the most important and delicate organs of our Government, I think all Americans should be deeply gratified by the high-minded spirit of public service being shown under great stress by the Chairman of that Commission, who on two successive days now has done two things every American should admire and applaud in a Government servant: First, taken the burden of the mistake of one of his subordinates on his own shoulders in saying that it was his responsibility; and, second, inviting, because of the critical importance of the task of AEC, the most widespread inquiry into all his own actions as Chairman, and the operations of the Commission. I think it augurs very well for the result to the Nation that this investigation is to be undertaken by the Joint Congressional Committee on Atomic Energy, particularly charged with the responsibility for this Commission. This committee should—and I am sure will—proceed with justice, and, in view of the demonstrated talent for public service and fine public spirit shown by this great public servant, the Chairman of the AEC, and by his distinguished colleagues on the Commission, with care.

There is appended hereto the text of the plea for an investigation referred to above:

HON. BRIEN McMAHON,
Chairman, Joint Congressional Committee on Atomic Energy, Washington, D. C.

DEAR SENATOR McMAHON: A full, complete and speedy report on the charges that the United States atomic energy program is virtually a failure is a matter urgently necessary; the investigation initiated by the McMahon committee and to be carried out by it is welcomed.

The charges by Senator HICKENLOOPER of incredible mismanagement, misplaced emphasis, and maladministration involve nothing less than the security of this Nation and the peace in the world.

If it is true that the atomic-energy program is in an almost bankrupt condition, then this Nation, far from being the custodian and trustee of a substantial stock pile of atomic weapons, and in a favorable production situation, is in a sadly weakened condition. If this were true it is difficult to imagine any single fact more disturbing to the peace of mind of the people of the country or to the security of the world's democracies.

The facts on this crucial test of our stewardship can be readily established.

That in an enterprise requiring the services of some 60,000 human beings there have been mistakes and errors goes without saying; this has been freely admitted. Working with the atom does not make human beings perfect and beyond error. For these errors and mistakes the Commission has and will continue to accept full responsibility. The failure to follow explicit Commission regulations in the matter of the uranium oxide at the Argonne laboratory in Chicago is such an instance. In the handling of many of thousands of tons of crucial materials, in various forms, the Commission and its contractor-employees have sought and will continue to seek to improve on methods of accountability, that will keep the element of human fallibility at a minimum; no system can eliminate the human factor entirely.

Among the hundreds of decisions of policy thus far made by the commission, and those that will be made in the future, there are many the soundness of which is and will be subject to differences of judgment among equally sensible men. Such a case is that concerning scholarships for nonsecret study, awarded by the National Research Council of the National Academy of Sciences as contractor for the Commission. The policy of the council and the Commission has in the last 10 days been changed to meet the objections, on public policy grounds, strongly expressed by Members of the Congress. But the difference was one of judgment on which equally patriotic and reasonable men could have and do entertain differing views. The export to scientists abroad, of isotopes, announced by the President in September 1947, is another instance. This was done upon the unanimous recommendation of distinguished advisers of the Commission. There are bound to be cases of underestimating of construction costs by contractors of the Commission in connection with urgently needed facilities of a wholly new kind. These are properly subject to criticism. But they were common experience during the war and today in industry generally.

The Joint Committee on Atomic Energy of the House and Senate was established by the McMahon Act to review and consider, among other things, differences of judgment on policy, and to receive and consider and appraise the rate of progress, or lack of progress in the substantial work of this project—one of the largest enterprises and most complex in history. Numerous reports, largely secret or top-secret, and frequent

hearings, conferences, and staff liaison have made your committee essentially—and rightly so—a continuous congressional investigating committee.

The test of whether there has been and is incredible mismanagement and a grave situation in this country's atomic energy program can be made a quite specific test, or series of tests. The country, I suggest, is entitled to and will want to know the answers to such specific questions as the following, among others, and we welcome the decision of your committee to proceed to the making of such analysis of report.

(1) Has the Commission failed in its stewardship at a time of great tension in its obligation paramount to all others; i. e., the production and improvement of these complex scientific weapons? What is the state of our atomic weapons—the order of magnitude of the stockpile; the improvements made in the last 2½ years in new weapon design. What has been the progress in the last 2½ years of our stewardship? What is the progress today in still further improvements, and the quality of personnel and the morale of those engaged in this work?

(2) How about production of fissionable materials—the essential ingredients of atomic weapons? Is it on a secure basis? What situation did the project face concerning disruption of production and how successful were the steps taken to overcome them? We assert, and our reports to you have made clear, that production is now at the highest level in history, with the same facilities; that new facilities are approaching the production state.

(3) How has basic and applied research progressed since the Commission took responsibility—and where was it when the Commission took over?

(4) How about security? What was the state of physical protection of plants when the Commission took over? Has this improved, and in what ways?

What about security of secret documents—what was the situation when the Commission began, and what is it today?

What about accountability for source and fissionable materials? What was the situation in 1947? What is it today?

(5) What about the investigation and clearance of personnel—what was the situation, and what is it today?

There are many other areas of inquiry that your committee will engage upon, in addition to those carried on by it continuously as a regular practice in the past.

But the chief question I believe is this: Is this country weak today in atomic weapons and materials, and in their production and improvements, as implied by the broad and grave charges leveled against the Commission?

It can be stated categorically that the record in this respect is a proud one. It is one to give great reassurance to the peoples of the world who as one of this hour rely upon the strength of the United States of America.

In order that the fears and misapprehensions on this score may be settled beyond peradventure and as promptly as it is possible. It is urged that the joint committee call before it immediately not only the Commission, its staff, its principal industrial and university contractors, but also other citizens of the highest renown and technical standing, including the distinguished members of the general advisory committee and other advisory groups for their testimony and appraisal. In this way the dangerous cloud of uneasiness resulting from these charges will be dispelled.

Sincerely yours,
DAVID E. LILLIENTHAL,
Chairman, United States Atomic Energy Commission.

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. MULTER] is recognized for 10 minutes.

RISE OF ANTI-SEMITISM IN VARIOUS PARTS OF EUROPE

Mr. MULTER. Mr. Speaker, in recent months leaders of interfaith movements throughout the world have become increasingly concerned over the rise of anti-Semitism again in various parts of Europe and more particularly in Russia and its satellite states. The attempt is again being made to use Jews as the scapegoat of totalitarian dictatorships. History tells us that such attacks are always the forerunner of similar attacks upon all religious and freedom-loving peoples.

With the horrors of Buchenwald and Dachau still fresh in the minds of people everywhere, the Soviet Union seems to have adopted the Hitler-like policy of singling out Jews in a campaign of vituperation which would have put Herr Goebbels to shame.

The American Jewish Committee, that staunch patriotic national Jewish group, which has such leaders as former Governor Herbert Lehman, as honorary vice president, and former Supreme Court Justice Joseph M. Proskauer, as honorary president, has already termed the campaign against Soviet Jews both violent and official.

Complete documentation of the incredible Soviet campaign to smear the Jewish people of Russia, a campaign obviously directed by the Kremlin, is currently appearing in the New York World-Telegram in a series of articles by Frederick Woltman, the noted authority on communism and a Pulitzer prize winner.

I understand that my colleague from New York [Mr. DOLLINGER] intends to place the entire series of articles in the CONGRESSIONAL RECORD. I hope all our colleagues will read them with care.

On May 19 I wrote a letter to Mrs. Eleanor Roosevelt as a member of the United Nations Commission on Human Rights, which reads as follows:

DEAR MRS. ROOSEVELT: Your attention no doubt has been directed to the series of articles that have been appearing in the Scripps-Howard newspapers throughout the country and in the World-Telegram locally, indicating that the Soviet government has apparently opened up a drive against Jews living within the confines of its borders.

This matter, I am sure, could not have escaped the attention of one who has been so vigilant in the cause of human freedom. While you and your colleagues on the Human Rights Commission are striving so strenuously to raise the standards of human dignity, we are here confronted with what may easily spread into another Hitlerian conflagration. As you have said so often, totalitarianism whether under the name of fascism, nazism or communism is always a threat to all freedom-loving peoples. These renewed Soviet attacks upon a minority group is but one of the many bad things that such a philosophy of government breeds.

I respectfully suggest that you and your colleagues make inquiry as to the truth of the charges made in these articles and then attempt to devise ways and means of correcting this very grievous situation.

With kindest personal regards, I am
Sincerely yours,

ABRAHAM J. MULTER.

Further proof of the justification of the charges I have made will be found in articles which appeared in the New York press.

On May 19 the New York Herald Tribune carried a news item as follows:

RUSSIA ACCUSED OF ASEMITISM POLICY ON JEWS—LEAGUE'S STUDY DESCRIBES TREND AGAINST JUDAISM AS NONAGGRESSIVE TYPE

The American Jewish League Against Communism, Inc., made public yesterday a study of conditions of Jews in Russia in which the Soviet Government is accused of asemitism or a nonaggressive anti-Jewish attitude as contrasted with anti-Semitism which is aggressively anti-Jewish.

The study was prepared for the league, which has offices at 220 West Forty-second Street, by Gregor Aronson, a former member of the Moscow Soviet and now a member of the editorial staff of Novoye Russkoe Slovo, a Russian-language daily published in New York.

Mr. Aronson's conclusion is that Jews in Russia have been left completely defenseless against Soviet tyranny. "Their past has been stripped from them and their future is bleak," he said. He argued that Russia is trying to stamp out all manifestations of Judaism.

Describing the Soviet Government's attitude as asemitism, Mr. Aronson wrote:

"Asematism differs from anti-Semitism in that it is not aggressive. It is not Jew hatred in the usual sense of the word. It is more complicated and completely psychological. It seems to be characterized by indifference to the Jews and any matter in which they, as Jews, are involved."

Mr. Aronson accused Russia of bringing asemitism into the open during the period of the Nazi-Soviet pact.

"During this period," he wrote, "the policy of ignoring the Jewish question in general and the Nazi plans for the destruction of the Jews in particular, became a conscious one."

The National Advisory Council of the American Jewish League Against Communism includes Benjamin Gitlow, former Communist official; Councilman Walter R. Hart, Democrat, of Brooklyn; Isaac Don Levine, writer and editor; Eugene Lyons, writer; Representative Abraham J. Multer, Democrat, of Brooklyn; Morrie Ryskind; and George E. Sokolsky, writer.

On May 22 Rodney Gilbert wrote in the New York Herald Tribune as follows:

FEATHERS FROM THE LEFT WING—COMMENT OF SOVIET ANTI-SEMITISM, SOCIALISM, AND SUNDAY MATTERS

(By Rodney Gilbert)

I have been meaning for a long time to remark that the leftist papers from which I quote much stormy rhetoric are not always gritting their teeth and hurling invectives. Many of them regale their readers with excellent cartoons, caricatures, light verse and quips. There is no space here for such material; but I shall make space for two sample quips on the same theme—Russian inventive genius. This one appeared in a recent number of the U. E. News, organ of the embattled left-wing electrical workers: "Did you see where a Russian claims to have invented movies that smell? Couldn't be. We've been seeing such for years." Then this is from the New Leader (social democratic): "Russia's extravagant claims of having pioneered all inventions do not go far enough. To be consistent she should claim credit for the original chaos at the dawn of creation." In its Ted Tinsley, the Daily Worker has a real grade A satirist, but to me its angry extravagances are always highly diverting. The Daily Worker has vied with other leftists in the invention of such descriptions of the unsubsidized daily papers

as "the commercial press," "the dollar press" and "the kept press." But, being exceptionally angry about the publicity given to renegade Communists, a Daily Worker editorial of May 11 sought and found a new name for us. We are now the prostitute press.

That new independent socialist publication, the Monthly Review, which the Socialist Call hailed unfraternally a few weeks ago as another Communist front paper, is off the press. Having no knowledge whatever of the inspiration behind it, I cannot endorse the Call's description of it; but, in an introductory statement, the editors, Messrs. Leo Huberman and Paul M. Sweezy, frankly announce that their attitude toward Stalinism is by no means hostile. They define the objectives of socialism as they see them, and then say: "The possibility and workability of such a system of society are no longer open to doubt."

"Socialism became a reality with the introduction of the first 5-year plan in Soviet Russia in 1928. . . . We find completely unrealistic the view of those who call themselves Socialists, yet imagine that socialism can be built on an international scale by fighting it where it already exists."

SIX KINDS OF SOCIALISM

Now, besides the Communist Party, there are at least six groups in this country propagating what each thinks is socialism. Each finds most of the others at fault in some way—to put it mildly; but all agree informally on one thing, and that is that Stalinism is not socialism or communism of any kind, living or dead. I am sure that these editors are going to hear that from most if not all of these sects. If they could only be brought to say it in chorus, no one but the Kremlin's own fifth columnists would have the temerity to allege that socialism has been a reality in Russia since 1928. Elsewhere, in their introductory statement, these editors tell of the decline of socialism in America's esteem since the days of Eugene Debs, until now, "for the great majority of Americans socialism is little more than a dirty word." They are going to hear from many sources the obvious explanation of that. Because the various schools of socialism do not get together and denounce the Muscovite use of the word socialism, and because the American people have acquired a better understanding of the enslavement of the Russian people and other victim peoples, from year to year, socialism is to the majority a "dirty" Russian institution.

I have already given space several times to the leftist reaction to Soviet anti-Semitism. Now that this has boiled up out of the obscure publications of the cultists into "the prostitute press," the anger and alarm of the Communist Party is vociferously expressed. I have a little stack of clippings from the Daily Worker—editorials, special articles, and advertisements on the subject. An exhibition to show how the lot of the Jews in Poland has been improved has been hastily arranged. The pro-Stalinist Jewish Labor Congress has been thrown into action against the anti-Stalinist Jewish Labor Committee. The cartoonist Gropper has been called upon to wire back from Moscow to tell how Stalin esteems and honors Jewish cultural leaders. To our local fifth columnists this charge of anti-Semitism seems to be far more disturbing, indeed, than the international resentment of Cardinal Mindszenty's treatment. Why the Kremlin should risk the hostility of world Jewry at this point and the loss of Zionist esteem, gained through support of Israel in the United Nations, must be a baffling question to many observers. I think that the answer is to be found in an article written last November by one Valentin Toma on the brutal liquidation of the Greek Catholic or Uniate Church in Rumania, forced into "coordination" with the orthodox church after the latter had been geared to

Stalinism. This is reproduced in the New International (Junior Trotskyist) for March. Read this paragraph:

SOVIET ANTI-SEMITISM

"Stalin's puppet popular democracies, like all other totalitarian dictatorships, are driving hard toward the integration of every section of social life into their regimes. Nothing—absolutely nothing—is permitted to escape this drive. Sooner or later the ruling Stalinist party gets around to the "gleichschaltung" (as the Nazis used to call it) of the smallest youth organization, the most timid women's movement, the most insignificant sport association, the most distant reading circle, and finally, even the humblest parish. Willy-nilly, all of them are laced into the strait jacket." That was written to explain why the Uniate Church had to be extinguished. Old Bolshevism fought Russian Orthodoxy and propagated atheism, because the church in Russia was geared to czarism. During the war there was a resurgence of religious feeling in Russia which the Kremlin cared not try to suppress. Instead it found religious leaders who were ready to gear it to Stalinism and to declare blasphemously that "the voice of Stalin is the voice of God." So the Russian Orthodox Church, now as completely subservient to Stalinism as it once was to czarism, and as much an instrument of policy, is the one church to which all Christian organizations in the captive nations must be geared or perish. The Uniate Church looked to the Vatican and not to Uncle Joe, professed atheist, for intermediation with God. So, like the little Protestant bodies in Bulgaria, it just had to be extinguished.

REASONS BEHIND THE CAMPAIGN

But what has this to do with the Jews, and with the Kremlin's dissemination of ill will against them—as rootless cosmopolites—in Russia and among the victim peoples? It is simply that they have dared to turn their backs on the Kremlin and look at Israel with lively interest. The small fry, whose anxiety to get there suited the Kremlin while it worried the British, are now having a very evil influence upon the millions of others who would like to be anywhere but in the Red Elysium. Then, the interest of the intellectuals in Israel diverts their attention from that glorious light in the sky over the Kremlin to all kinds of world doings and stimulates a hunger for knowledge of them which would, in itself, be a menace to the security of the grand Red khanate. The little Jews who are setting everyone else such a rotten example by abandoning all they own to scramble up a gangplank onto anything outward bound, have got to be slapped down. Their bunds, their Mapams, their educational farm colonies, must be wiped out at once. And so it has been most vigorously done. And the warning to the highly placed Jewish intellectuals in Russia is: "Attention. Or else."

So I have used nothing out of a great mass of clippings on the lifting of the Berlin blockade, the show-down fight between the CIO and the Stalin-dominated unions, and the flight of Gerhart Eisler—whose rearrest in a British port is, of course, a disgrace to humanity in the Daily Worker. But since I found the New Republic's last special supplement on the Fair Deal, a bundle of twaddle, I must add here that that paper's most recent supplement (May 16) is a swell job. It is a report on a symposium. The question put to a number of real and alleged authorities was: "How strong is Soviet Russia?" The meek mumbblings of fellow travelers, who usually yelp like coyotes, will be most depressing to the cognoscenti just off Union Square.

The only answer, and that is not official, that I have seen with reference to

these charges is that Soviet Russia and her satellite states are not attempting to throttle Judaism but are attempting to stamp out Zionism. Such an answer is merely an evasion of the charge.

Only yesterday our distinguished Secretary of State Dean Acheson pointed out in Paris, France, that Russia and its satellite states consistently refused to permit the outside world to know what goes on behind the iron curtain.

I join Secretary Acheson in challenging the Soviet authorities to permit the representatives of the United Nations to enter Soviet Russia in order to freely determine the true state of affairs.

Mr. DOLLINGER. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from New York.

Mr. DOLLINGER. Mr. Speaker, Soviet Russia has long pretended to the world that it was a model of racial equality, in its campaign for world dominance. It sought the support of the smaller powers and brought them into a federation controlled by the Kremlin on the strength of promises of equality.

It was, therefore, all the more startling to read a series of articles recently written for the New York World-Telegram by Frederick Woltman, a writer of integrity and ability—a former Pulitzer prize winner—wherein the true picture was pointed out. We find that Russia is waging a fierce campaign against leading Jewish intellectuals of Russia to purge them from the cultural life of the country. This incredible development in a nation where discrimination is supposed to be a state crime was definitely established recently from very authoritative sources.

It has been shown that Russian Jews are being persecuted, that the Kremlin is following Hitler's pattern and that the Russian Jews are the 1949 victims of Stalin's mounting cold war on the western democracies. The same old tricks are being used—a special vocabulary has emerged—the Jews being called rootless cosmopolitans, lowly cringers; the Soviet press now adds, in parentheses, the Jewish family names of artists, writers, and professional people, whose Russian-sounding names fail to disclose their Jewish ancestry.

Hitler, in his rise to power screamed out the accusations that the German Jews were under-cover allies of the Anglo-American warmongers, betrayers of German destiny—the very same attack which Russia is now using.

We are told that the Soviet Union has ruthlessly suppressed Zionism for the last 30 years. Many thousands have been exiled to Siberia. Hebrew, the religious language of the Jews is banned, and Judaism has virtually been obliterated in the Soviet Union. We see the pattern repeated—the persecution of the Jews being the first step in a program of world conquest.

I believe that this campaign in Russia against the Jews is one which should have the attention of this House and our Nation, and that we should take necessary steps to call these acts of the Kremlin to the attention of people the world over. Russia—the motherland of communism—which has profited greatly by her pretended belief in equality for all

should be exposed. The spotlight should be focused directly upon her. In her cruel and ruthless purge of the Jews, she certainly does not practice what she preaches—and those to whom she would sell her ideology should know of her deceit.

Six million Jews have already perished because of similar tactics under Hitler. Likewise, many millions of others in minority groups have been annihilated in such programs of terror. Let us not keep silent until it is too late and more millions suffer a similar fate. It is possible for all human beings, regardless of their religion, color, creed, or nationality to live together as one. It is America's duty to lead the way. This House should focus the spotlight upon Russia and also request Eleanor Roosevelt, who heads the Commission on Human Rights in the United Nations, to lay the facts before that body for such action as would be appropriate and effective.

Under unanimous consent, I insert in the Record the articles referred to, written by Mr. Woltman, which deal with this vital question, and in which he so succinctly discusses the problem. In my opinion, the articles should be read by all people who are interested in equality for all.

MOSCOW HATE BARRAGE BLASTS JEWS—NAZI-LIKE ANTI-SEMITISM PERILS INTELLECTUALS, DENOUNCES ISRAEL

(By Frederick Woltman)

Nazilike attacks against Jews have become government policy in Soviet Russia.

The U. S. S. R., long held forth to the world as a model of racial equality, is waging a fierce campaign against leading Jewish intellectuals of Russia to purge them from the cultural life of the country.

Since January, the Soviet press and Communist Party apparatus have been pouring out tirades reminiscent of Hitler's unceasing and self-serving crusades against "the international Jew."

Such a barrage, loosed by the government and press of America, would be regarded here as the worst kind of anti-Semitism.

CAMPAIGN CALLED VIOLENT

Coupled with it, the Kremlin has launched a parallel onslaught on Zionism and on the leaders of Israel who, the Kremlin spokesmen charge, would sell out their own people "for the sake of the dollar."

This incredible development—in a nation where discrimination is supposed to be a state crime—was established in a survey by the World-Telegram, based chiefly on Jewish sources. One of them, the American Jewish Committee, terms the campaign against Soviet Jews both violent and official.

Thus far, only fragmentary reports have come through the world's tightest censorship from Moscow.

But they are sufficient to arouse grave concern among the leaders of American Jewry, who wonder if the Jews once again are to be made the scapegoats of a totalitarian regime.

Meanwhile, the American Communists are running true to form. On the issues of Zionism and the new State of Israel, they have faithfully echoed the Moscow line. Zionist leaders, inside Israel and out, according to the Freiheit, official Yiddish organ of the Communist Party, are trying to transform Israel into a bastion of Jewish reaction and a prop of Anglo-American imperialism.

CULTURAL FIELD HIT

Recently, greatly embarrassed, the party here has sought to explain away dispatches which reported Soviet denunciations of Jews.

The campaign against the Jewish intellectuals, the survey showed, encompasses the entire field. It includes the theater, literature, music, the cinema, poetry, philosophy, science, even the sports.

Their crime, as charged, is cosmopolitanism, an expression exhumed from the anti-Semitic writers of Czarist Russia. Because of their ties outside Russia, their kinship through a common language with the Jews in the rest of the world, Jewish writers, artists and scientists in the U. S. S. R. suddenly became cosmopolitans.

Master mind of the crusade was Alexander Fadayev, head of the Soviet writers' union and chief Russian delegate to the Waldorf-Astoria cultural conference here last March. Pravda, central organ of the Russian Communist Party, touched off the fuse on January 29. The entire Soviet press responded promptly with extraordinary venom.

TARGET BECOMES CLEAR

That their target was the Jews became clear almost at once—by resort to the concept of the wandering Jew.

Thus, today's internal enemies of the U. S. S. R. are not only cosmopolitans, they're the homeless cosmopolitans.

Love of Country; Hatred of Cosmopolitans was the title of an editorial in the Literary Gazette, authoritative organ of the Soviet writers' union on February 12. "It is our patriotic duty to eliminate these passportless vagrants, these stowaways, these people with no kin, no country," screamed the Gazette.

SPECIAL VOCABULARY

A special vocabulary emerged to fit the new crime. Its perpetrators, according to the Soviet press, are:

"Rootless cosmopolitans, lowly cringers, double-facers, shameless aesthetes, salesmen, hooligan-like, antipatriots, double-dealers with traitors' souls, no tribe—no fatherland—no country."

Also "Jewish bourgeois nationalists."

Part of the pattern is somehow to identify the Jewish intellectuals under fire with the western democracies which, in the Communists' dictionary, are synonymous with reactionary and imperialism.

"In whatever clothes it is arrayed," declared the Literary Gazette in March 2, "whatever its pseudonym, whether the guise be pan-Americanism, Catholicism, Zionism, or any other name, cosmopolitanism actively serves the interests of the imperial reaction."

CRIME DEFINED

Since neither pan-Americanism nor Catholicism carry much weight in the U. S. S. R., Zionism would appear to be the principal offender.

Konstantin Simonov, the Soviet writer, defined the crime as "the desire to undermine the national roots of national pride because people without roots are easier to push over and sell into slavery to American imperialism."

The Communist Daily Worker simply calls cosmopolitanism the cultural weapon of Wall Street imperialists.

How the drive against cosmopolitanism is further applied to Russian Jews will be developed in detail tomorrow.

MOSCOW ADOPTS CLASSIC TACTICS OF ANTI-SEMITES

(By Frederick Woltman)

The standard device of anti-Semites the world over—subtly reiterating the racial origin of their Jewish targets—has now become standard practice in Soviet Russia. For the past 3 months the official Soviet press has used it on a wholesale scale against leading Jewish intellectuals in the Kremlin's drive to purge all Russian cultural life of homeless cosmopolitans and people without tribe.

Their technique invariably is to add, in parentheses, the Jewish family names of artists, writers, and professional people whose Russian-sounding names fail to disclose their Jewish ancestry.

Thus, when Komsomolskaya Pravda, official organ of Communist youth, on March 6 attacked Jewish sports writers as passportless wanderers, it listed them as G. Yasny (Finkelstein), V. Victoroff (Zlochevsky), and A. Svetoff (Sheidlin).

OTHERS ADOPT TECHNIQUE

Pravda, Izvestia, the Bolshevik, Literary Gazette—foremost mouthpieces of the Stalin state—have adopted the same technique, according to a survey by the World-Telegram which disclosed an incredible frontal attack on Jews in the motherland of communism.

Designations like this appear regularly: J. Chatsazav (Meyerowitz), J. Stebun (Katz-enelson), L. Zhadanov (Lipschitz), J. Martish (Finkelstein), and L. Sendof (Schmulson).

Emphasis on Jewish origin, rather than identification, is clearly the purpose. For whenever the Russian name appears more than once in the same diatribe, even if only a few lines apart, the Jewish name is invariably tagged on each time.

USED BY NAZIS

The same device of double naming was used by anti-Semitic Russian White Guards after the Bolshevik revolution to imply Jewish control of the new Soviet state. Later, the Nazis employed it; and so did native Fascist groups in America.

It's unprecedented, both in the USSR and under the Czar.

In contrast, although many non-Jewish Bolshevik leaders took new names for security reasons, you'll never find a news story in the Soviet press about V. M. Molotov (Skriabin) or Josef Stalin (Djugashvili).

VOICE BROADCASTS STORY

So scandalous has the anti-Jewish drive become, the World-Telegram learned, that the State Department seized upon it for America's war of words with the Soviet propaganda machine.

To date, the State Department has taken no official cognizance of it for American consumption. But in the last few days of April, the Voice of America beamed the story overseas in Bulgarian, Czech, Russian, Hungarian, Polish, German, and English.

The series of broadcasts went unpublished here. To the listeners behind the iron curtain, however, they bore the imprimatur of the United States Department of State.

"In recent months, the Soviet campaign against cosmopolitanism has assumed a certain racial bias which gives it an even greater significance," the broadcasts said. They told of the insertion of Jewish names.

OFFICIALLY INSPIRED

And they referred to recent Moscow dispatches as agreed that the campaign against Jewish critics is officially inspired and anti-Semitic in tone and . . . that the officially inspired campaign to intimidate Jewish writers in the U. S. S. R. casts a cynical light on Communists' pretensions that they are against all forms of racialism.

This is the first time that anti-Semitism has become official in the U. S. S. R. according to Gregor Aronson, a student of current Russian life, expelled former member of the Moscow Soviet and now a staff writer for the New York Russian daily, Noroye Russkoe Slovo.

Because they're so widespread, the attacks on Soviet Jews as cosmopolitans could only have been ordered by the Moscow Politburo, he writes, in a forthcoming documented pamphlet Soviet Russia and the Jews. Published by the American-Jewish League Against Communism, 200 W. 42d St., the study soon will be on sale there for 50 cents.

QUOTES PRAVDA

To show how deeply the anti-Jewish campaign has penetrated all facets of Russian culture, Mr. Aronson quotes the March 5 Pravda, official organ of the U. S. S. R. Communist Party:

"Homeless cosmopolites who know nothing of creative labor, of truth and honor, have crept into our editorial offices, scientific institutions and universities. They are people who feel no duty toward the nation, the state or the party.

"It is our urgent task, therefore, to smoke these bourgeois cosmopolites out of their holes because these individuals without a people or a country hinder the development of Soviet literature."

Out of one list of 50 homeless cosmopolites excoriated in the Soviet press during February and March, he writes only two or three were non-Jews.

That's the pattern of the U. S. S. R.'s astonishing crusade against its internal enemies of 1949, as the third article on the World-Telegram's survey will show further tomorrow.

RUSSIAN JEWS ARE VICTIMS OF KREMLIN'S COLD WAR

(By Frederick Woltman)

Russian Jews are the 1949 victims of Stalin's mounting cold war on the western democracies.

Hitler, in his rise to power, screamed out the accusation that German Jews were under-cover allies of the "Anglo-American warmongers," betrayers of Germany's destiny.

Today, in true totalitarian kinship, the powers in the Kremlin plagiarize the Nazis. "Obscurely looking to the west" and "groveling before the Anglo-American imperialists" are the standard, trumped-up charges of the Soviet propaganda organs against the Jewish intellectuals due to be stamped out of Soviet culture.

They've borrowed another Nazi weapon, the symbol of the hooked nose.

Krokodil, Moscow's satirical magazine, on March 10 ran two pages of cartoons lampooning "homeless cosmopolitans" accused of besmirching Soviet drama, music, poetry, and movies. The "cosmopolitans," as depicted, were particularly loathsome-looking. Several had worm-like bodies. One of the movie critics waved a banner: "Go to Hollywood."

All were drawn with hooked noses, grossly exaggerated.

"Pitiful and unpleasant," says the caption, "are the quiet skeptics, the abstract persons, the passportless vagabonds of the human race."

In a blast at the "cosmopolitan literary critics," the March 20 issue ran a full-page caricature of one, wearing a dagger in his belt and carrying an enormous poison pen. A name tag pasted on his suitcase read "Andre Zhid." This presumably referred to Andre Gide, the French writer who is unpublished and virtually unknown in Russia.

However, the Andre was shaded and the Zhid caught the eye. Zhid, a favorite expression in pogrom literature of Czarist Russia, is familiar to all Russians. The translation is the viciously slanderous word "kike."

"Stamp out completely the foes of the Soviet drama, theater, cinema and of the entire Soviet art—the anti-patriotic group of homeless cosmopolitans and their hangers-on," demanded the March 9 Literary Gazette, official mouthpiece of the Soviet writers union.

"We get no help from these critic-cosmopolitans in unmasking serious manifestations of Jewish bourgeois nationalism, in particular in the Almanach, Der Shtern, which we had to suppress. . . . It encouraged nationalistic trends, smug, small-

town psychology. It went even so far as to assume that a Jew living abroad is equal to a Soviet Jew."

The American Jewish Committee, a leading national Jewish organization in the United States, declared recently in a report, "Jews Behind the Iron Curtain": "Since the closing of the Moscow Elnikeit (in January, 1949) and the Shtern in the Ukraine, there are no Yiddish periodicals left, except possibly in Birobidjan." Birobidjan is the so-called autonomous Jewish Republic in the U. S. S. R.

ASSAILS JEWISH THEATER

N. J. Gusaroy, head of the Byelorussian Communist Party, on February 17 excoriated the one Jewish theater in the White Russian Republic. It "puts on unpatriotic plays in which the patriarchal life of the Jewish petty bourgeoisie was idealized and life in bourgeois America praised. . . . Homeless cosmopolitans, combined with direct obsequiousness to things foreign, have found expression at the Jewish theater."

The theater was closed.

The February 20 issue of Culture and Life, organ of the Communist Party's propaganda department, lambasted "bourgeois cosmopolitan" music critics.

Their offenses: "Groveling before Anglo-American, decadent art" and "depicting a musical paradise in the American land."

Jewish sports writers were excoriated as "passportless wanderers" by Komsomolskaya Pravda, central organ of Communist youth. They were accused of writing that a Soviet wrestler was inspired by Jack London, rather than his love for the motherland, and claiming that football was brought into Russia by employees of the Indo-European Cable Co.

WRITERS SINGLED OUT

Literary Gazette singled out even Jewish writers as "rah-rah cosmopolitans," charging them and the Jewish State Theater in Moscow with "unpatriotic activities."

Because he credited Sir Alexander Fleming with the discovery of penicillin, the well-known Jewish scientist, S. Altschuler, was attacked by Komsomolskaya Pravda as a "homeless cosmopolitan." Everybody knows, said the paper, that the drug was discovered by Russians.

Because it allegedly fell under "American influences," the Soviet Academy of Architecture was completely reorganized last month. The chief offender was Moises Gintsburg. Soviet Art, published in Moscow, accused him of championing western European and American architecture.

"The hostile activities of bourgeois cosmopolitanism," warned Soviet Art, "will be unmasked to the end."

PROFESSOR A SCAPEGOAT

"Unmask the preachers of cosmopolitanism in philosophy," demanded Culture and Life on March 10. This time the scapegoat was the Jewish professor, M. Rosenthal. The offense: His philosophic views of Chernyshevsky failed to give enough praise to the patriotism of the Russian philosopher.

"Deliberate neglect of patriotism can only be qualified as bourgeois cosmopolitanism," Culture and Life warned.

ZIONISM OUTLAWED IN RUSSIA

(By Frederick Woltman)

The Soviet Union has ruthlessly suppressed Zionism for the last 30 years.

Since the days of the Bolshevik Revolution, thousands have been exiled to Siberia, never to be heard from again. Hebrew, the religious language of the Jews as well as the tongue of a renaissance Palestine, is banned. Jewish religious schools for children are outlawed.

Indeed, the U. S. S. R.'s success in wiping out Zionism is matched only by the extermination of all things Jewish by Hitler's Germany.

And today, the land of the hammer and sickle is the sole power on earth which makes the movement for a Jewish homeland illegal.

KNOWN TO LEADERS

While unknown to the general public, these facts are familiar to key leaders of Jewish groups in this country, such as the World Zionist Organization of America and the American Jewish Congress.

"Since the early twenties, I have never seen any record of Zionist activities in Russia," Carl Alpert, national education director of the World Zionist Organization, told the World-Telegram.

The last open meeting of Zionists took place in Moscow in April 1920. Its backers were arrested, imprisoned and denounced by the new regime as counter-revolutionaries and enemies of the people, charges akin to treason under Communist ideology.

This long-standing hostility to Jewish nationalism now has found a logical outlet. The current wave of intimidation and abuse which the Politburo recently turned on Russian Jews, as revealed by these articles in the World-Telegram.

CAN'T GO TO ISRAEL

Meanwhile, for outside consumption, the U. S. S. R. has been supporting Israel in the UN and the Kremlin and its agents throughout the world make political capital of it.

Yet, emigration of Russian Jews to Palestine was always strictly forbidden.

Finally, 3 weeks ago, the Soviet Union granted its first visa to Israel—to a one-legged war veteran who won the Order of Stalin. It took 2 years and the intercession of Israel's Minister to Moscow. Thousands of other Soviet Jews have not been so lucky.

When the Bolsheviks came to power, the Jews were the first to suffer, according to Gregor Aronson, a student of Soviet life whose 50-page documented pamphlet, *Soviet Russia and the Jews*, will soon be published by the American-Jewish League Against Communism, 220 West Forty-second Street.

SEMINARIES CLOSED

"With the Bolshevik revolution came the dictatorship of the Jewish Bolsheviks over Jewish communal life, through the 'Jewish Commissariat,'" writes Mr. Aronson. "In a short time, it had liquidated the Jewish community organizations, forbidden Jewish religious schools and seminaries, communized or closed all Jewish societies.

"The commissariat then began a bitter struggle against Zionists, Jewish liberals and radicals, the Bund (Jewish trade-union Socialists), rabbis and all other religious officers. All but the official Communist publications were banned, of course."

In the 1930's, it became impossible to publish any books, even purely scientific works, in Yiddish, says Mr. Aronson.

With the 1934 purges, he relates, all Jews participating in Jewish communal life were removed from official posts and exiled or liquidated. The list was "very impressive," including the first Jewish Commissar, an old Bolshevik, Dimanstein, who for 20 years had been considered Stalin's eye in the Jewish group.

CAMPAIGNS SIMILAR

The 1934 purge furnished striking parallels to the current campaign in the official Soviet press and the Communist Party apparatus against homeless cosmopolitan intellectuals. Hundreds of Jewish historians, writers and artists, etc., were denounced as spies, diversionists, Fascists, Trotskyites and counter-revolutionists.

By 1940 Stalin had closed the local offices of the joint distribution committee, largest nongovernmental agency to aid distressed Jews outside America, and of ORT, oldest

private Jewish organization devoted to vocational training.

Although JDC and ORT had performed valuable services in the reconstruction of Russian Jewish life after World War I, their responsible Russian representatives were arrested in 1939.

Palestine newspapers were barred from Russia, Rabbi Meyer Berlin, of Jerusalem, president of Mizrahi, religious wing of the World Zionist Organization, told this writer when he visited American in 1947.

BAN BIBLE FROM MAIL

Nor could Hebrew literature, including the Bible, be mailed direct to Soviet citizens. There were no Hebrew calendars in Russia.

The Warsaw papers of February 3, 1939, ran an extraordinary item. It reported the prosecution of a Pole who tried to smuggle Jewish prayer books, shawls, and other religious articles into the U. S. S. R.

How the Kremlin's historic crackdown on Zionism has been extended to the entire realm of Jewish life inside Russia will be told in tomorrow's story.

RUSSIA CRUSHING ALL JEWISH CULTURE (By Frederick Woltman)

Judaism, in fact the entire communal life of Russia's 2,000,000 Jews, has virtually been strangled in the Soviet Union.

The Communist dictatorship, after obliterating Zionism in the early twenties, set a calculated and relentless course of stamping out all forms of Jewish life—cultural, social, educational, and religious—from one-sixth of the earth's surface.

In consequence of the persistent pressure of totalitarian conformism, U. S. S. R. Jews are now in an advanced stage of religious and cultural disintegration.

This conclusion appeared in the May Reporter, published by the American Jewish Committee, one of the foremost Jewish organizations in America. Among the leading Jewish laymen who serve as its officers are former Gov. Herbert H. Lehman, honorary vice president; and former Supreme Court Justice Joseph M. Proskauer, honorary president.

Thus the motherland of communism—held up to the world as the very model of racial equality, respecting the diverse nationalities within its own borders—has put Russia's Jews beyond the pale.

Probably no better authority could be found attesting to the virtual disappearance of Jewish life itself in the U. S. S. R. than B. Z. Goldberg, columnist on the Day, New York Jewish daily. Himself a Soviet sympathizer, Mr. Goldberg is sponsor of the School of Jewish Studies, designated as "an adjunct of the Communist Party" by the Department of Justice.

Returning after a 6 months' tour of the U. S. S. R., Mr. Goldberg, as far back as August 14, 1946, wrote in the Day:

"There are no Jewish districts in the cities and towns. There are no specifically Jewish occupations; there are no Jewish hospitals; no Jewish old folks' homes; no Jewish clubs; no Jewish parties; no Jewish philanthropies; no Jewish educational institutions."

QUARTER MILLION IN MOSCOW

Earlier, on March 23, 1946, Mr. Goldberg wrote:

"There are a quarter of a million Jews in Moscow, and perhaps more, but it is difficult to reach them.

"The Jews have no special social sphere, special charitable organizations, clubs, or those hundreds of other Jewish community societies which Jews of other countries have. * * * Jewish education has virtually disappeared."

There is "a total absence of any Jewish life in Russia," wrote Jacob Lestchinsky in the New Leader of March 8, 1947. He is an economist for the Institute of Jewish Affairs,

World Jewish Congress, and staff writer on the New York Daily Forward, largest Jewish newspaper in the world.

The destruction of Jewish education in Russia, wrote Mr. Lestchinsky, "means that the whole future generation of Jews will have no idea of Judaism, Jewish history, Jewish life in Palestine and in other countries."

RELIGION OR ANATHEMA

The Jewish religion "has come under the same Soviet anathema as all other religions," according to the American Jewish Committee's May Reporter. The AJC's analysis was based on a series of studies by Dr. Nathan Reich, chairman of economics at Hunter College and former research head of the Joint Distribution Committee.

"In substance," declares the AJC, "all Yiddish cultural activities had to conform to the dominant Communist ideology. More recently, however, even this devitalized form of cultural expression has been reduced to the vanishing point."

NO MERE ACCIDENT

"The long-run pattern is disintegration of Jewish life," says the American Jewish Committee. It points out that Jewish "charity organizations are taken over, relief agencies are obstructed, Jewish writers pilloried, communal leaders persecuted."

"This policy is not accidental," continues the report, "Judaism has traditionally fought tyranny, oppression and authoritarianism."

"The voice of the prophets, continually raised in behalf of social justice and enlightenment, expresses the democratic ideal inherent in the Jewish faith. Its classic liberalism and devotion to freedom and human dignity challenge the totalitarian way of life."

"Soviet policy is utterly disastrous to communal Jewish life. Totalitarianism spells its doom."

The deadly effectiveness of the "long-run pattern" was described in the Daily Forward of March 23, 1948, by a Polish Zionist leader, Dr. Julius Margolin, who spent 5 years at hard labor in Soviet "corrective" camps between 1939 and 1946. Telling of the Russian Jewish families he met in these camps, Dr. Margolin wrote:

"I wept inwardly when I looked at the children of those who had once been the advance guard of the Jewish people."

"The children and grandchildren knew nothing about Palestine, did not know the Bible, had no idea of the culture or the names dear to every Jew—just as though they had come from another planet."

RUSSIA ISOLATES ITS JEWS FROM WORLD TO WIPE THEM OUT IN RED MELTING POT

(By Frederick Woltman)

The iron curtain has been clamped down on Russia's 2,000,000 Jews. By isolating them completely from their brethren throughout the world, the Soviet rulers aim, eventually, to force their total assimilation.

This is revealed graphically in the untold story of the Jewish Anti-Fascist Committee of Moscow and in the official Soviet press itself.

Five years ago, in a wartime bid for friendship, Josef Stalin sent two good-will ambassadors to the Jews of America.

They were present, in a 3-month tour, as outstanding Jewish artists of the Soviet Union—representatives of the new Jewish Anti-Fascist Committee, created by the Soviets to strengthen the bonds between the Jews of Russia and Jewish communities in other countries.

In a gesture of unity against the Nazi war machine, nearly 50,000 New Yorkers turned out to welcome them at the Polo Grounds.

As he rose to speak, the crowd cheered Itzik Feffer, poet of the U. S. S. R., loyal Bolshevik, wearer of the honor badge of the

Soviet Union. In turn it acclaimed Solomon Michoels, director of the Moscow Jewish State Theater.

SUDDENLY LIQUIDATED

Leaders of American Jewry—Rabbi Abba Hillel Silver, the late Dr. Stephen S. Wise, Dr. Nahum Goldman, president of the World Jewish Congress, and others—put their blessings on the demonstration.

After the country-wide tour, enthusiastically received, Messrs. Feffer and Michoels returned to Russia and settled down to the business of the committee.

Suddenly 4 months ago, without explanation, the masters in the Kremlin liquidated the Jewish anti-Fascist committee.

They suppressed its newspaper, *Elnigkeit*, the last Jewish-language publication left in the U. S. S. R. (Under the Czar, Yiddish papers were published as far back as 1903.)

And they arrested Itzik Feffer, its editor and outstanding poet of the Soviet Union. Solomon Michoels, meanwhile, had died.

To world Jewry, this crack-down on the one official Jewish movement in the homeland of communism had ominous significance.

It served notice that the Politburo's drive against Jewish intellectuals in the U. S. S. R. has been turned against all things Jewish, that not even loyal groups will be tolerated any longer.

For, ironically, the Jewish anti-Fascist committee, as it turned out, served only as a propaganda vehicle for Russian communism.

STALIN'S LIE

Stalin, with his Feffer-Michoels good-will tour sold a bill of goods to the many prominent Americans who lent their names to it—the late Wendell Willkie, Eddie Cantor, Herbert H. Lehman, and Albert Einstein.

A few months before, the American people had been shocked to learn of the execution by Stalin of the two Polish Jewish labor leaders, Heinrich Erlich and Victor Alter. After its disclosure by the World-Telegram, Stalin hoped to make America, especially the Jewish people, forget his blunder; and to forget how he lied when he assured Wendell Willkie that no harm would come to them—months after they had already been shot.

Now, with the committee dissolved, the Soviet press is out to cut off all contacts of Russia's Jews with the outside world.

Because the editors of the glossary for the new standard Soviet encyclopedia gave too much space to Jewish literature, *Literary Gazette*, which lays down the law for Soviet writers, accused them of abhorrent cosmopolitanism—in effect, disloyalty to communism.

"The authors," fumed the *Gazette*, "flout the party spirit and Soviet patriotism. They take the whole of Jewish literature without distinction as to country or state system and play into the hands of the enemies of the fatherland."

"NATIONALIST PALAVER"

"They drag out the cosmopolitan, bourgeois, nationalist palaver of a supposedly world-wide Jewish literature. On their list, Soviet writers stand side by side with hardened modern businessmen of America, Palestine, and other countries."

"Their views are nothing else than slavish servility to hostile bourgeois nationalism."

Because he wrote about the Jewish religion, *Moscow Evening Paper*, official organ of the Communist Party, excoriated a Jewish writer. The headline: Insolent Preachings of a Kinsman Cosmopolitan.

"The publishing house, Soviet Writer," began the diatribe, "which, as all well know has been activated by persons who had no kith or kin, by antipatriots Levins and Danins and their ilk, published in 1948 a book by Alexander Isbakh (nom de plume of Isaak Bakhrakh). . . ."

"What does the author of this worthless book preach?"

"First of all an ardent glorification of the Judaic religion."

"SATURATED WITH CULT"

"The whole book is saturated with the religious cult. The first story is called 'God.' Tenderly genuflecting, Isbakh describes the service in the synagogue . . . the smallest details of Judaic ritual . . ."

"Isbakh openly conducts propaganda for Zionism, tells in detail about the Zionist organization which 'enjoyed great influence among the Jews of our city, . . . about 'kind uncles' who shipped Jews to Palestine; and he even reproduces the text of the Zionist hymn."

"Alexander Isbakh," the piece concludes, "wrote a loathsome book. And he was helped in publishing it by the cosmopolitan already exposed, F. Levin, who has no kith or kin."

RUSSIANS LEFT JEWS TO MERCY OF NAZI HORDES—DOUBLE-CROSSING POLICY LED TO WHOLESALE SLAUGHTER

(By Frederick Woltman)

To appease Hitler, the rulers of the U. S. S. R. double-crossed the Jews of Russia.

The Soviet Government during the Hitler-Stalin friendship pact deliberately kept its people in ignorance of the German dictator's campaign to exterminate the Jews.

Mention of the wholesale terror and atrocities perpetrated by the Nazis against the Jews of Germany and the occupied areas was forbidden in the official Soviet press.

The effect of this hush-hush policy was disaster to many thousands of loyal Jewish Soviet citizens.

RETURNED TO PERISH

Unaware of the mortal danger that faced them when the German hordes invaded their land, they remained in their home towns and perished. There were even many cases of Polish Jews who returned to Nazi-occupied Poland in 1940 after having escaped from the German onslaught to Soviet territory. Their fate, too, was death.

In their official reports from Russian areas to Berlin, German occupation authorities themselves expressed amazement to find Jewish captives so blissfully unaware of the Nazi program of extermination.

Some of these original documents, taken by a United States Army paratrooper from the Ministries of Propaganda and Eastern Areas, are now in possession of the Yiddish Scientific Institute, 535 West One Hundred and Twenty-third Street. They confirm the Kremlin's conspiracy of silence about the worst race slaughter in history, according to Dr. Solomon M. Schwarz, who made a study of them.

SUFFERING PLAYED DOWN

Dr. Schwarz, an authority on current economic and social problems in Russia and a researcher for leading Jewish organizations, said today that the Russian people were never told Hitlerism signified the complete extermination of the Jews.

"The Jews of Russia themselves did not know they were his main target," he said.

"Moreover," said Dr. Schwartz, "although the Jews suffered more than the rest of the Russians put together, the Soviet Government has always played down the sufferings of the Jews in the war."

"Opportunism, not anti-Semitism, motivated the Russian rulers," he said.

AFRAID OF PROPAGANDA

"They were afraid of Hitler's propaganda that the Communists were fighting for the Jews," he said, "so, instead of combating it, they kept silent, with terrible consequences to the Jews of Russia."

"Stalin and his officials did not worry about the fate of the Jews," wrote Gregor Aronson,

another authority on the U. S. S. R., in his forthcoming documented pamphlet, *Soviet Russia and the Jews*. "They simply forgot about this problem."

He gave one possible explanation: Fear that the true story of the Nazi atrocities might weaken the popularity of the Hitler-Stalin pact among the Russian people.

With the pact, he wrote, the Soviet press abruptly stopped publishing belligerent articles against nazism and fascism.

A NEW DIRECTION

"Instead there was a gradual attempt to educate Soviet public opinion in a new direction. Yesterday's foes had become today's friends. . . . It became apparent that the Soviet press was absolutely forbidden to tell the truth about nazism, about German bestiality in Poland and about anti-Semitism which the Nazis were fostering everywhere they went."

He disputes the "myth that Stalin saved millions of Jews" which "the Communist propaganda machine has been extremely successful in propagating."

The Jews of Poland, the Baltic states and Bessarabia were saved for only a short time after the Red army moved in.

"Here were the remains of capitalism, of the bourgeoisie," wrote Mr. Aronson. "Here were not only well-dressed people, but people who had the effrontery to be Zionists, to worship in synagogues, to be proud of being Bundists (Socialists). In short, here were people who were free and independent and, therefore, 'enemies of the people' in Soviet Russia."

SUSPECTS LISTED

Lists of suspect Jews were drawn up, according to the author of the pamphlet published by the American-Jewish League Against Communism. Tens of thousands of NKVD (secret police) agents were sent in for the task of reconstructing Polish and Lithuanian Jews.

While no official figures exist, the Polish Government-in-exile estimated 600,000 Polish Jews were deported to the Soviet Union and Siberia.

Mr. Aronson reminds his readers of the historic speech by V. M. Molotov, then chairman of the Council of People's Commissars, on October 31, 1939. Russia's present Deputy Premier then said:

"One may accept or reject the ideology of Hitlerism as well as any other ideological system; that is a matter of political opinion."

REDS BAR JEWS FROM DIPLOMATIC AND PARTY JOBS

(By Frederick Woltman)

A quiet but systematic exclusion of Jews from the foreign office, diplomatic corps and Communist Party of the Soviet Union has been under way in the USSR for 10 years.

Today, as a result, the names of Jewish diplomats and party leaders, once numerous and prominent on the rosters of these all-important agencies of the Communist motherland, have virtually disappeared.

It is a program of freezing Russia's loyal Jews out of many facets of the nation's life, despite the myth created by the Communist propaganda machine that the USSR is the one country in the world which grants complete racial equality.

PROPAGANDA ATTACKS UNITED STATES

As government policy, the Soviet pattern has no parallel in America, which Communist propaganda nevertheless holds up to scorn as a haven of anti-Semitism.

It represents practices which Jewish, as well as many other religious groups in this country, have been gradually eradicating from the American scene as the very essence of anti-Semitism.

Meanwhile, only this week this trend in the USSR brought an expression of alarm from the American Jewish Congress, one of this country's most influential Jewish organizations, of which the late Dr. Stephen S. Wise was the founder and guiding spirit.

In an editorial, "Anti-Semitism and the U. S. S. R.," the current issue of Congress Weekly, official AJC organ, refers to "persistent reports of the purging of Jews from high office" in the Soviet Union.

"DISTURBING REPORTS"

"Jewish opinion in this country and overseas," says the AJC publication, "has been disturbed by reports of officially approved anti-Semitic practices in the Soviet Union."

Apart from their elimination from foreign service and party posts, Jews are barred from the principal military academies of Moscow, according to reliable sources; and Jewish candidates are restricted in the law and medical schools of Kiev and Moscow.

The official Soviet press in reporting Red Army activities no longer mentions Jewish generals, although no less than 100 served during the war, say students of Soviet publications.

COLLEGE QUOTA SYSTEM

A quota system for Jewish students has been set up in schools of higher learning, declared the Daily Forward of New York, largest Jewish newspaper in the world, on January 9.

The quota system was ordered in 1939 in a secret directive of the central committee of the Russian Communist Party, said the Forward, citing an unidentified diplomatic source from the USSR.

In the political field, there is only one Jewish member left on the ruling Politburo. He is Lazar M. Kaganovitch, whose sister is said to be the wife of Premier Stalin.

NO JEWISH CANDIDATES

Last February, Moscow Evening Paper, central organ of the Moscow party, ran a list of 370 candidates for Communist regional and city committees in Moscow. Not a single name was Jewish, according to a former Soviet official, now an American citizen. In the 1930's the percentage would have run between 5 and 20.

In the foreign office, Maxim Litvinov and Solomon A. Losovsky, both vice commissars and the two most prominent Jews in the service, have been put into the discard. Ivan M. Maisky, former ambassador to Britain, who is half-Jewish, was retired to a professor's job in 1946.

"There are no Jews left of importance in the foreign office or diplomatic service," Dr. Solomon M. Schwarz, of 4 West One Hundred and Fifth Street, told the World-Telegram. "Except for a few old-time Bolsheviks in the central committee, they have been eliminated from all important party offices."

DOES RUSSIAN RESEARCH

An authority on economic and social problems in the U. S. S. R., Dr. Schwarz does research on Russia today for leading Jewish organizations. In this connection, he follows many current Soviet publications, including four daily newspapers.

"The policy of exclusion started in the late thirties, even before the Hitler-Stalin pact," he stated, "although the latter had a tremendous influence on the psychology of the central group of Russian bureaucrats."

He attributed the policy not so much to anti-Semitism as to "the bureaucratization of the state apparatus, which became more and more exclusive, finally eliminating minority elements."

"Now, for the first time," he added, "the Soviet government, which fought anti-Semitism for political reasons in the twenties, is openly fostering it against Jewish intellectuals."

"So you have a new combination today: Bureaucratic exclusion of Jews from the party

and state offices and an anti-Semitic campaign to eliminate them from the ideological life of Russia."

EXTENSION OF REMARKS AT THIS POINT IN THE RECORD

Mr. MULTER. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. HELLER] may extend his remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HELLER. Mr. Speaker, Mr. Frederick Woltman, a distinguished writer for the New York World Telegram, is to be congratulated on his revealing and informative articles on what is going on behind the iron curtain in Russia. In the danger period through which we are now passing, the warning to which we have been alerted by the former Pulitzer prize winner, Mr. Woltman, is one for which the civilized world should be grateful.

What is going on in Russia is not new. Hitler, it is to be remembered, decreed the extermination of the Jewish people as a prelude to his attack on all Christianity. The Nazi anti-Christ moved with the sure and unerring instinct of a somnambulist when, of all his potential adversaries, he first singled out the Jew for attack.

Attacking the Jew has always been a wedge—military, diplomatic or ideological—driven into the ranks of Hitler's opponents prior to piecemeal subjugation and annihilation. Stalin is simply taking a leaf out of Mr. Hitler's book in his crazy drive for world domination.

Russia, in attacking the liberty of the Jew, simply denies the principle of religious liberty and affirms the right of government to control in the domain of conscience. It follows its pattern of being godless. Thus out of the ashes of a Second World War waged for the liberation of mankind appears again the vicious head of a dictator, Stalin, whose government carries out a worse form of despotism than existed under Hitlerism.

Today it is the Jew who is the particular victim—by tomorrow, when the floodtide arrives and the waves break higher and higher upon the shores, they may engulf all peoples. Establish the right of government to persecute a race, and you concede the right of government to persecute all races and all religions. Fasten this doctrine once upon the world, and we shall again retrace the path of history, when the world yielded to government by brute force—when monsters occupied thrones and places of power—you usher in the day when the light of learning shall again be extinguished and the wailing of women and children shall take the place of happy laughter and of joyous song.

Mr. Speaker, I am not discussing today the fate of the Jews alone. I am discussing the dangers to humanity. I ask you this—shall the twin stars of liberty and equality once more be obscured by clouds of prejudice and hate?

At the time when the Nazis came to power and singled out the Jews for their first attacks, the democracies stood aside, invoking the political doctrine that there must be no interference in or notice

taken of the purely internal affairs of a foreign state. Moral considerations had to make way for the rules of the imperialist game of blood and guile when great nations like the Czechs and the Austrians were to be handed over to the sadists of the Reich. We distrusted reports about the inhuman treatment meted out to Jews in the murder camps of Dachau and Oranienburg. We shrugged our shoulders as if it were no concern of ours what Streicher and Himmler did to a few thousand German citizens of the Jewish faith.

We were yet to learn, at an immense cost in tears and blood, that humanity is one, even as God is One, and that the martyred Jews were merely the forerunners on the road of sorrows of Poles and Albanians, of Czechs and Norwegians—and of American mothers and fathers.

We were yet to learn that the anti-Semitic justification of the Hitlerite's attitude to the Jews was but a trick to lull the Christian nation to sleep, to divide the democracies, to obscure the issues at stake, to befuddle people's minds in order that they might fall victim the easier to the Nazi plans of world conquest.

Man is one all over the earth. Hurt to one brother is hurt to all.

EXTENSION OF REMARKS

Mr. McCORMACK (at the request of Mr. HUBER) was given permission to extend his remarks in the Record and include a newspaper article.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. EVINS, from May 25 to May 28, 1949, inclusive, on account of official business.

To Mr. LOVRE (at the request of Mr. CASE of South Dakota), for 10 days, on account of important business.

To Mr. HOEVEN (at the request of Mr. ARENDS), for 3 days, on account of important business.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1299. An act for the relief of Frank J. Patzke;

H. R. 3704. An act to provide additional revenue for the District of Columbia; and

H. R. 4151. An act to grant the consent of the United States to the Arkansas River compact.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 55. An act to include certain lands in the Carson National Forest, N. Mex., and for other purposes;

H. R. 580. An act for the relief of the Bank of Kodiak, Kodiak, Alaska;

H. R. 603. An act for the relief of Jephtha R. Macfarlane;

H. R. 636. An act for the relief of B. G. Jones;
 H. R. 639. An act for the relief of Mark B. Craig and others;
 H. R. 681. An act for the relief of the legal guardian of George Generazzo;
 H. R. 688. An act for the relief of John P. Reilly;
 H. R. 692. An act for the relief of Joseph Thompson;
 H. R. 738. An act for the relief of the estate of Mrs. Minerva C. Davis;
 H. R. 761. An act for the relief of Catherine S. Tremayne and A. I. Lang;
 H. R. 967. An act for the relief of the city of El Paso, Tex.;
 H. R. 1037. An act for the relief of Samuel Ensler and Louis Puccinelli;
 H. R. 1076. An act for the relief of Jennie Olsen Anderson;
 H. R. 1098. An act for the relief of the legal guardian of Andrew Ferdinand DeWitt III, a minor;
 H. R. 1299. An act for the relief of Frank J. Patzke and others;
 H. R. 1300. An act for the relief of Mrs. Hope Irene Buley;
 H. R. 1471. An act for the relief of E. La Ree Smoot;
 H. R. 1597. An act for the relief of Hal W. Cline;
 H. R. 2089. An act for the relief of William Price;
 H. R. 2261. An act for the relief of Eva C. Netzeley Ridley, William G. Stuff, Lois Stuff, and Harry E. Ridley; and the estates of Clyde C. Netzeley and Sarah C. Stuff;
 H. R. 2268. An act for the relief of Forest L. Weatherly;
 H. R. 2285. An act to amend title 17 of the United States Code entitled "Copyrights," with respect to relaxation of provisions governing copyright of foreign works;
 H. R. 2566. An act granting the consent of the Congress to the States of Montana, North Dakota, and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River;
 H. R. 2812. An act to direct the Secretary of the Interior to sell certain land at South Naknek to the Russian Orthodox Greek Catholic Church of North America;
 H. R. 2906. An act to provide a 1 year's extension of time for the disposition of farm labor camps to public or semipublic agencies or nonprofit associations of farmers;
 H. R. 3253. An act to add to the Abraham Lincoln National Historical Park, Ky., certain land acquired by the United States for that purpose;
 H. R. 3396. An act to amend the law relating to timber operations on the Menominee Indian Reservation in Wisconsin;
 H. R. 3663. An act for the relief of Lawrence Reves;
 H. R. 4151. An act to grant the consent of the United States to the Arkansas River compact; and
 H. J. Res. 200. Joint resolution to authorize the National Capital Sesquicentennial Commission to proceed with plans for the celebration and commemoration of the one hundred and fiftieth anniversary of the establishment of the seat of the Federal Government in the District of Columbia, and for other purposes.

ADJOURNMENT

Mr. HUBER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 57 minutes p. m.) the House adjourned until tomorrow, Friday, April 27, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from

the Speaker's table and referred as follows:

650. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting the Nineteenth and Concluding Report of the Commission on Organization of the Executive Branch of the Government (H. Doc. No. 197); to the Committee on Expenditures in the Executive Departments and ordered to be printed, with illustrations.

651. A letter from the marshal, Supreme Court of the United States, transmitting a draft of a proposed bill entitled "A bill relating to the policing of the building and grounds of the Supreme Court of the United States"; to the Committee on the Judiciary.

652. A letter from the Administrator, Federal Security Agency, transmitting the Annual Report of the Federal Security Agency, for the fiscal year 1948; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. REDDEN: Committee on Public Lands. H. R. 4000. A bill to amend section 16 of the Hawaiian Organic Act relative to disqualification of legislators; with an amendment (Rept. No. 680). Referred to the House Calendar.

Mr. REDDEN: Committee on Public Lands. H. R. 2121. A bill to authorize the Secretary of the Interior to convey abandoned school properties in the Territory of Alaska to local school officials; with an amendment (Rept. No. 681). Referred to the Committee of the Whole House on the State of the Union.

Mr. REDDEN: Committee on Public Lands. H. R. 4586. A bill to authorize the government of the Virgin Islands or any municipality thereof to issue bonds and other obligations; with an amendment (Rept. No. 682). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON: Committee on Merchant Marine and Fisheries. House Resolution 174. Resolution requesting the Secretary of State, the Secretary of Commerce, and the Tariff Commission to investigate the domestic fishing industry; with an amendment (Rept. No. 685). Referred to the House Calendar.

Mr. THOMPSON: Committee on Merchant Marine and Fisheries. H. R. 2740. A bill to establish rearing ponds and a fish hatchery at or near Millen, Ga.; with an amendment (Rept. No. 686). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON: Committee on Merchant Marine and Fisheries. H. R. 3046. A bill to authorize the expansion of facilities at the Cape Vincent, N. Y., fish cultural station; with an amendment (Rept. No. 687). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON: Committee on Merchant Marine and Fisheries. H. R. 2501. A bill authorizing and directing the United States Fish and Wildlife Service of the Department of the Interior to undertake a continuing study of the shad, *alosa sapidissima*, of the Atlantic coast with respect to the biology, propagation, and abundance of such species to the end that such Service may recommend to the several States of the Atlantic coast through the Atlantic States Marine Fisheries Commission appropriate measures for arresting the decline of this valuable food fish and for increasing the abundance and promoting the wisest utilization thereof; with an amendment (Rept. No. 688). Re-

ferred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON: Committee on Merchant Marine and Fisheries. House Joint Resolution 202. Joint resolution to amend the act of August 8, 1946, relating to investigation and eradication of predatory sea lampreys of the Great Lakes, and for other purposes; without amendment (Rept. No. 689). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON: Committee on Merchant Marine and Fisheries. H. R. 961. A bill to establish rearing ponds and a fish hatchery; with an amendment (Rept. No. 690). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. THOMPSON: Committee on Merchant Marine and Fisheries. H. R. 579. A bill to permit the motor vessel *FLB-5005* to engage in the fisheries; without amendment (Rept. No. 683). Referred to the Committee of the Whole House.

Mr. THOMPSON: Committee on Merchant Marine and Fisheries. H. R. 3751. A bill to transfer a tower located on the Lower Souris National Wildlife Refuge to the International Peace Garden, Inc., North Dakota; without amendment (Rept. No. 684). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BYRNE of New York:

H. R. 4861. A bill to provide for the appointment of additional circuit and district judges, and for other purposes; to the Committee on the Judiciary.

By Mr. KING:

H. R. 4862. A bill to amend title 18, United States Code, section 215, relating to acceptance or solicitation to obtain appointive public office; to the Committee on the Judiciary.

By Mr. MORGAN:

H. R. 4863. A bill to provide for a new Federal building in Carmichaels, Pa.; to the Committee on Public Works.

H. R. 4864. A bill to provide for a new Federal building in West Brownsville, Pa.; to the Committee on Public Works.

H. R. 4865. A bill to provide for a new Federal building in Washington, Pa.; to the Committee on Public Works.

H. R. 4866. A bill to provide for a new Federal building in Fredericktown, Pa.; to the Committee on Public Works.

H. R. 4867. A bill to provide for a new Federal building in Bentleyville, Pa.; to the Committee on Public Works.

By Mr. O'BRIEN of Michigan:

H. R. 4868. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. CHATHAM:

H. R. 4869. A bill to provide funds for co-operation with the public-school authorities of Person County, N. C., in the construction, extension, and improvement of public-school facilities; to the Committee on Public Lands.

By Mr. WALTER:

H. R. 4870. A bill to amend the Immigration Act of October 16, 1918, as amended; to the Committee on the Judiciary.

By Mr. AUCHINCLOSS:

H. R. 4871. A bill to authorize the Commissioners of the District of Columbia to enter into agreements with certain organizations to carry out the functions of the poundmaster of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. HAGEN:

H. R. 4872. A bill to equalize the rates of compensation payable for wartime and peacetime service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. HARVEY:

H. R. 4873. A bill to provide Federal aid to the States for the construction of public-school facilities; to the Committee on Education and Labor.

By Mr. MILLER of Nebraska:

H. R. 4874. A bill for the establishment of the Medical Care Investigation Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. CELLER:

H. R. 4875. A bill to amend title 28 of the United States Code relating to travel expense allowances for Government employee witnesses; to the Committee on the Judiciary.

By Mr. JACKSON of Washington:

H. R. 4876. A bill to extend and improve the old-age and survivors insurance system, to add protection against disability, and for other purposes; to the Committee on Ways and Means.

By Mr. MORRIS:

H. R. 4877. A bill to confer jurisdiction upon the United States District Court for the Western District of Oklahoma of proceedings to condemn certain real property owned by the United States in Comanche County, Okla.; to the Committee on Public Lands.

By Mrs. NORTON:

H. R. 4878. A bill to authorize certain Government printing, binding, and blank-book work elsewhere than at the Government Printing Office, if approved by the Joint Committee on Printing; to the Committee on House Administration.

By Mr. POTTER:

H. R. 4879. A bill to increase the retired pay of certain members of the former Lighthouse Service; to the Committee on Merchant Marine and Fisheries.

By Mr. SCUDDER:

H. R. 4880. A bill to amend the Agricultural Act of 1948 by adding thereto a new section to establish an average parity price for fats and oils and to aid in maintaining such parity price to producers; to the Committee on Agriculture.

By Mr. WOLVERTON:

H. R. 4881. A bill to provide that compensation of a Federal officer or employee shall be subject to State tax only in the State where he is domiciled, and for other purposes; to the Committee on Ways and Means.

By Mr. BOGGS of Delaware:

H. Con. Res. 63. Concurrent resolution to express the sense of the Congress with respect to the coordination and administration of Federal assistance and services to the blind; to the Committee on Expenditures in the Executive Departments.

By Mr. CANNON:

H. Res. 229. Resolution to amend rule XVII of the Rules of the House of Representatives; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLATNIK:

H. R. 4882. A bill for the relief of Josip Nacinovic, Miro Nacinovic, and Josip Laconi; to the Committee on the Judiciary.

By Mr. FERNANDEZ:

H. R. 4883. A bill for the relief of Tony Marchionda; to the Committee on the Judiciary.

By Mr. McGUIRE (by request):

H. R. 4884. A bill for the relief of Giuseppe Pompeo; to the Committee on the Judiciary.

By Mr. NICHOLSON:

H. R. 4885. A bill for the relief of Francis C. Pollard; to the Committee on the Judiciary.

H. R. 4886. A bill for the relief of W. Irving Lincoln; to the Committee on the Judiciary.

By Mr. PETERSON:

H. R. 4887. A bill for the relief of L. Ferguson; to the Committee on the Judiciary.

By Mr. STIGLER:

H. R. 4888. A bill for the relief of the lawful heirs of Robert Brown, deceased, Cherokee Roll No. 32752; to the Committee on the Judiciary.

By Mr. THOMPSON:

H. R. 4889. A bill for the relief of Mrs. Jack J. O'Connell; to the Committee on the Judiciary.

By Mr. WHITE of Idaho:

H. R. 4890. A bill for the relief of Emory Arnett, Bonners Ferry, Idaho; to the Committee on the Judiciary.

By Mr. WOLVERTON:

H. R. 4891. A bill for the relief of Albert E. Scheffen; to the Committee on the Judiciary.

SENATE

FRIDAY, MAY 27, 1949

(Legislative day of Monday, May 23, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of grace and glory, we bless Thee for the cleansing ministry of memory and for the rich heritage of noble deeds as our Nation, founded in Thy name, turns to its stirring past and to its warrior dead. Even as bugles are sounding to new struggles for liberty's cause, prepare our hearts and minds for the sacramental journey to quiet cities of the dead where, under their tents of green, sleep those whose lives were offered as freedom's shield. Save us from decorating tombs and at the same time desecrating the costly heritage which it takes graves to guarantee. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, May 26, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT— APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts and joint resolution:

On May 25, 1949:

S. 716. An act authorizing the Secretary of the Interior to sell the land of George Peters under existing regulations.

On May 26, 1949:

S. 1704. An act to strengthen and improve the organization and administration of the Department of State, and for other purposes; and

S. J. Res. 61. Joint resolution requesting the President to issue a proclamation designating Memorial Day, 1949, as a day for a Nation-wide prayer for peace.

On May 27, 1949:

S. 326. An act to amend the War Claims Act of 1948; and

S. 1152. An act for the relief of certain officers and employees of the Office of United States High Commissioner to the Philippine Islands who suffered losses of personal property by reason of war conditions.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 969. An act to transfer the Pomona station of the Agriculture Remount Service, Department of Agriculture, at Pomona, Calif.; and

H. R. 1057. An act for the relief of John Keith.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Humphrey	Reed
Anderson	Hunt	Robertson
Cain	Ives	Russell
Capehart	Johnson, Tex.	Saltonstall
Chavez	Johnston, S. C.	Schoeppel
Connally	Kefauver	Smith, Maine
Cordon	Kerr	Sparkman
Donnell	Kilgore	Stennis
Douglas	Knowland	Taft
Downey	Langer	Taylor
Eastland	Lucas	Thomas, Okla.
Ellender	McCarthy	Thomas, Utah
Ferguson	McClellan	Thye
Flanders	McFarland	Tydings
Frear	McKellar	Vandenberg
Gurney	McMahon	Watkins
Hayden	Magnuson	Wherry
Hendrickson	Martin	Wiley
Hickenlooper	Millikin	Williams
Hill	Neely	Withers
Holland		Young

Mr. LUCAS. I announce that the Senator from Virginia [Mr. BYRD] and the Senator from North Carolina [Mr. HOEY] are absent on official business.

The Senator from Kentucky [Mr. CHAPMAN], the Senator from Iowa [Mr. GILLETTE], the Senator from Colorado [Mr. JOHNSON], the Senator from Louisiana [Mr. LONG], the Senator from Nevada [Mr. McCARRAN], the Senator from Maryland [Mr. O'CONOR], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Florida [Mr. PEPPER] are detained on official business in meetings of committees of the Senate.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from South Carolina [Mr. MAYBANK] are absent by leave of the Senate.